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Finite-Sample Bias and Inconsistency in the Estimation of Poverty Maps

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FINITE-SAMPLE BIAS AND INCONSISTENCY IN THE ESTIMATION OF POVERTY MAPS*

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Abstract

I argue that the estimation technique - widely used in the poverty mapping literature - introduced by Elbers, Lanjouw and Lanjouw (ELL03), is highly sensitive to specification, severely biased in finite samples, and almost certain to fail to estimate the poverty headcount consistently. First, I show that the specification of the first-stage model of household expenditure strongly influences the estimated headcount; the range of obtainable estimates is on the order of 20% for many districts, and is as high as 48% for some areas. Further, some specifications imply province-level headcounts which diverge from the direct estimates by many as six standard deviations. Secondly, I construct bootstrap confidence intervals for the difference between the estimates under alternative specifications, which shows that (at a 2% level of significance) finite sample-bias is present in more than 42% of districts in even the best-performing regions. I calculate approximate lower bounds for the bias; I find it to be on the order of 3% for most areas, but the lower bounds range as high as 19.6% in some provinces. Finally, I argue that consistent estimation of the first stage model is necessary for consistent second-stage imputations and I decompose the difference between the true and estimated headcount into a sampling component and a specification component, the latter of which is asymptotically persistent. Given these results, it appears that the poverty maps estimated by this technique reflect primarily the arbitrary and unexamined methodological choices of their authors rather than robust features of the data.

JEL Classification: I32, C8, C31

*Preliminary and incomplete! Comments are more than welcome. Contact me at jc.naidoo@uct.ac.za.

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1 Introduction

Averages, by their nature, hide variation. For almost all developing countries, the available data are silent on the geographical variation in poverty or inequality indicators below fairly high levels of aggregation, such as the province or state. While accurate data on households' income and consumption are available in many countries, the high costs of collecting such detailed surveys force the local statistical agencies to design such datasets to be representative only at high levels. Given such a survey design, reliable information about welfare is available for at best a handful of households in most lower-level administrative units.

The sparseness of high-quality data on household welfare contrasts sharply with the abundance of national census data. Though censuses rarely include information about income or consumption, they frequently include information on covariates of welfare - for example, the demographic structure of the household, the education and labour market histories of household members, or the presence of physical amenities like running water or electricity - that are *also* measured in the smaller survey.

In recent years, a literature which estimates welfare measures (like the headcount, or the Gini coefficient) at very low levels of aggregation has emerged. This literature owes its existence to the development of a technique that combines census and survey data to produce highly disaggregated estimates of functionals of the income distribution. I will refer to this technique as “ELL,” after the World Bank researchers who first explained it in (ELL02; ELL03), though a less general version of the technique appeared earlier in (HLLP00). I explain the mechanics of the technique in more detail in section 2.2, but the core idea is to use the survey data to create a model of the distribution of income (or consumption) conditional on certain household covariates. The marginal distribution of the covariates is easily obtained from the census, since the census is exhaustive and does not suffer from the same sparseness as does the high-quality survey dataset. Given a homogeneity assumption (conditional on the covariates), the conditional expectation of a function $W(\mathbf{y}_a)$ for a small area is simply

$$\begin{aligned}\mu_a &= \mathbb{E}[W(\mathbf{y}_a)|\mathbf{X}_a] \\ &= \int_{\mathbb{R}^{N_a}} W(\mathbf{y}_a) d\mathbf{F}(\mathbf{y}_a|\mathbf{X}_a)\end{aligned}\tag{1}$$

where N_a is the number of census observations in area a , and \mathbf{y}_a and \mathbf{X}_a are the vector of incomes and the matrix of covariates in the area.

In this paper, I do three things: (a) I demonstrate that the small-area estimates of the poverty headcount are extremely sensitive to the specification of the model mentioned above, (b) I argue that this sensitivity should be interpreted as evidence of severe finite-sample bias, and (3) I show that the likely endogeneity of many of the covariates renders the consistent estimation of the poverty headcount all but impossible.

I admit that the results here are not without precedent; a careful reading of the poverty-mapping literature reveals that even on the same dataset, different first-stage models lead to very different small-area estimates. For example, (ABD⁺02) reports estimates of the poverty headcount for magisterial districts in the Free State province of South Africa. Yet, an earlier version of the same poverty map, produced by the same authors, reports very different estimates. For example, the estimated headcount for the Rouxville district is reported to be 74.2% with a standard error of 2.5% in the later, published version of the paper, making

it the poorest magisterial district in the province. However, an earlier version of the paper - (ABL⁺00), released as a technical report by Statistics South Africa - puts poverty in Rouxville at 53.0%, with a standard error of 0.91%, making it only the 29th-poorest district in the province.

The paper proceeds as follows: in section 2, I introduce the notation necessary for analysing the properties of the ELL technique and I explain how the ELL technique has been used in the literature to generate poverty maps. In section 3, I describe the datasets I use. Section 4 contains the main results and analysis. I present my evidence of the sensitivity of the estimates to specification in section 4.1; I argue that this sensitivity indicates finite-sample bias in section 4.2; and in section 4.3, I analyse the likely consequences of endogeneity for the consistency of the estimates. I conclude in section 5. In the rest of this introductory section, I explain why reliable estimates of poverty maps are of great policy significance, and I briefly review the poverty mapping literature.

1.1 Poverty Maps: Relevant For Policy and Academic Research

Policymakers all over the world, but especially in developing countries, want to target the poor geographically. In South Africa, a clause in the 1996 Constitution¹ requires that nationally raised revenue be divided “equitably” between national, provincial and local governments. Further, the Constitution explicitly requires Parliament to interpret “equitable” in terms of “the fiscal capacity and efficiency of the provinces and municipalities, [the] developmental and other needs of provinces, local government and municipalities, [and] economic disparities within and among the provinces.”

The South African government has implemented this clause by creating the “equitable share” grant, of which R25.6 billion - roughly \$3 billion - went to local governments (see (Nat09a; Par09) for further details) in 2009. The majority of equitable share funds - about 70%, according to (Dep02; Loo04) - are allocated to municipalities in proportion to their levels of poverty.² The National Treasury estimates that the equitable share grant accounts for 17.5% of municipal operating revenue across the nation, though this hides significant inter-regional variation - specifically, large urban municipalities are able to raise funds through property taxes and utility provision; rural municipalities, which have poorer populations and far less commercial activity, depend much more heavily on the equitable share grant. Hence reliable estimates of poverty at a fine level of disaggregation are very important from a political perspective.

These estimates are important for more than just antipoverty policy. Small-area estimates of welfare measures would be useful as inputs into other areas of research. For instance, the growth literature has increasingly recognised the salience of welfare distribution: (BD03) is just one prominent example. Secondly, reliable estimates of inter-regional welfare distributions is clearly a prerequisite for many lines of inquiry in political economy, public economics and economic geography. Furthermore, there are reasons to suspect that welfare distribution, broadly conceived, affects other social and economic phenomena, like crime, investment and migration. In fact, at least one study - (DÖ05) - has already used small-area estimates of welfare calculated in exactly the manner described below to examine the spatial distribution

¹Chapter 13, section 214 - see (Par96).

²A full explanation of the equitable share formula can be found in (Nat09b).

of crime in South Africa.

1.2 The Present State of the Literature

The literature thus far has primarily produced estimates of the poverty headcount for various countries, though some papers compute local inequality measures, too - for example (ELM⁺03). South Africa is not alone in its attempts to target the poor geographically: (HS02) and (Wor07) outline the antipoverty programs in - among others - Guatemala, Nicaragua, Vietnam (MBE03; MB05), Brazil (ELLL04; ELL08), Albania (CDM07), Morocco (Lan04; Lit07), and Indonesia (AG07) which have used the (mostly World Bank - generated) poverty maps for this purpose.³ Some World Bank researchers - e.g. (HL98) - have even advocated for the use of poverty maps to plan infrastructural investments.

To my knowledge, no paper has yet addressed the issues of specification error and finite-sample bias; nor has any author discussed the possibility that the poverty map estimates produced by the ELL technique might be inconsistent. The few papers that do attempt to evaluate the properties of the ELL estimates have all focused on the size of the estimated standard errors. For example, (TD09; BDLR06) argue that the failure of conditional homogeneity may lead to the understatement of standard errors, while (ELL08; LLED07; LR06) respond that the confidence intervals generated by ELL have coverage rates approximately equal to the nominal rates in specific datasets.

2 The Mechanics of Poverty Mapping

2.1 The Setup

We divide the population of interest up into several “regions”. Monetary variables - either (log) income or expenditure - are denoted y . I define a “region” to be the lowest administrative level for which we have reliable information on the distribution of expenditure, y , while an “area” is the lowest administrative level by which the *census* data can be grouped. A given region consists of a number of small areas, indexed by the subscript a ($1 \leq a \leq A$).

Since welfare measures are almost always defined over individuals, yet survey data is almost universally collected at the household level, the caveat that the data need to be weighted by household size is ever-present here. That said, I index households with a subscript i . Household-level covariates that appear in both the census and survey data are represented by \mathbf{x}_i .

2.2 The ELL Technique

There are two basic steps to the ELL technique. In the first stage, a model of the conditional distribution $y|\mathbf{x}$ must be estimated. Typically this is done by generalised least squares, although some papers use ordinary least squares. Indexing households by h and survey

³A full catalogue of the maps generated by the World Bank can be found at <http://go.worldbank.org/5Q9SZRC3D0>

clusters by c , the feasible GLS estimation is performed by first estimating

$$y_{ch} = \mathbf{x}_{ch}\beta_0 + u_{ch} \quad (2)$$

over the *survey* observations at the *region* level. The residuals u_{ch} are typically presumed to obey a random-effects structure:

$$u_{ch} = \eta_c + \varepsilon_{ch} \quad (3)$$

with η_c independent of ε_{ch} . If this true, then the OLS residuals should be demeaned over the survey clusters to form estimates of the cluster effect, η , and the household-specific disturbance, ε . To “allow” for heteroskedasticity in ε , a model of the squared residuals is then fitted, which yields an estimate of the household-specific variance for each census household and leads to “normalised” first-stage residuals $\hat{\varepsilon}_{ch}^*$. Typically the model is of logistic form with an upper bound set equal to the (arbitrary) level $1.05 \times \max_{c,h} \{\hat{\varepsilon}_{ch}^2\}$.

In the second stage, a simulated error term \tilde{u}_{ch} is drawn from the assumed distribution for each *census* household, which yields a complete census of imputed log expenditures as

$$\tilde{y}_{ch}^r = \mathbf{x}_{ch}\hat{\beta} + \tilde{u}_{ch}^r \quad (4)$$

for the r^{th} simulation draw.⁴ The value of the welfare measure in each area a is then computed directly from the simulated values as $W(\tilde{\mathbf{y}}_a^r)$. The simulation step is repeated R times. The mean of $W(\tilde{\mathbf{y}}_a^r)$ over these simulations is $\hat{\mu}_a$, the ELL estimate of the (conditional expectation of) W in area a . The standard deviation of $W(\tilde{\mathbf{y}}_a^r)$ over the simulations is the ELL estimate of the standard error of $\hat{\mu}_a$.

Because $W(\cdot)$ is frequently nonlinear in \mathbf{y} , (ELL03) suggests integrating the estimated $\hat{\mu}_a$ over the sampling distribution of $\hat{\beta}$. Since this is unknown, researchers hoping to use the technique must simulate draws $\tilde{\beta}$ from the asymptotic distribution of the first-stage estimators.

Effectively, ELL estimates are Monte Carlo integrals:

$$\begin{aligned} \hat{\mu}_a &= \frac{1}{R} \sum_{r=1}^R W(\tilde{\mathbf{y}}^r) \\ &\approx \int_{\mathbb{R}^K} \left[\int_{\mathbb{R}^{N_a}} W(\mathbf{y}) \hat{f}(\mathbf{y}|\mathbf{X}_a, \tilde{\beta}) d\mathbf{y} \right] \hat{f}^a(\tilde{\beta}|\mathbf{X}_R, \hat{\beta}) d\tilde{\beta} \end{aligned} \quad (5)$$

where $K = \dim(\beta_0)$, $\hat{f}(\mathbf{y}|\mathbf{X}_a, \tilde{\beta})$ is the estimated conditional density of log expenditure based on the parameter estimate $\tilde{\beta}$, and $\hat{f}^a(\tilde{\beta}|\mathbf{X}_R, \hat{\beta})$ is the (estimated) asymptotic sampling density of $\hat{\beta}$. Both of these densities are obviously determined by the first-stage specification.

2.3 Implementation

The specification \mathbf{x} is, in my reading of the poverty-mapping literature, never motivated. However, the implicit criterion used in almost all of the papers in this literature is that

⁴A distribution for the residuals has to be chosen by the researcher. Several papers use the empirical distribution of the first-stage residuals, but some authors use parametric distributions - typically the normal or t distributions (scaled to have the same variance as the first-stage residuals). In addition, the researcher must choose whether to simulate the “cluster effect” $\tilde{\eta}$ at the census cluster level or at a higher level.

the first-stage regression model (or the OLS stage of feasible GLS) should have a “high” R^2 statistic, though cutoff values are never explicitly stated. Unfortunately, as I argue in section 4.3, it is consistent estimation of β_0 , not the quality of the in-sample prediction, that matters for the accuracy of the second-stage estimates. Nonetheless, I respect this convention: as I document in the appendix, section B.1, no estimate in this paper is derived from a first-stage model with an R^2 lower than 0.442. Even that value is unusually low: the vast majority of the first-stage models I estimated returned R^2 -statistics higher than 0.5.

There is one other caveat about the models used to “predict” consumption in the poverty mapping literature: that district-level means (which can be obtained from the census data) be included as regressors. A spate of papers (see (ELM⁺03; ELL02; LLED07; LR06)) by the creators of the ELL technique emphasize that area means should be included in the first-stage regression to “capture” cluster level effects. I follow their instructions: every estimate in this paper is based on a first-stage specification that includes at least 10 area-level means. I therefore consider the estimates that follow to be admissible in terms of the implicit criteria of the poverty-mapping literature.

Apart from the specification of the first-stage model, I kept the following choices constant across all estimations:

- (a) I used GLS estimation, first obtaining an estimate of $\hat{\beta}$ by OLS and then estimating the cluster effects $\hat{\eta}$ and $\hat{\epsilon}$ from the resulting residuals.
- (b) I drew both the cluster effects and the standardized household errors from their respective empirical distributions. For the heteroskedasticity model, I chose throughout to use all the household-level variables in \mathbf{x} .
- (c) I simulated the cluster effect $\tilde{\eta}_c$ at the area level (magisterial district). According to (LR06), doing so “allows” for high-level spatial correlation.
- (d) I chose to draw the household idiosyncratic error for census households from the set of normalised first-stage residuals that correspond to the survey cluster from which their simulated cluster effect, $\tilde{\eta}_c$, was drawn. According to (ELL03), this approach “allows for nonlinear relationships between location and household unobservables.”
- (e) I used 100 simulations to perform the Monte Carlo integration.

I emphasize that at no point does the procedure outlined in the original papers (ELL02; ELL03), which have become the methodological basis for this literature, insist on the use of any particular assumptions on functional form, error structure, estimation technique, or simulation procedure (i.e. whether to simulate distinct cluster effects for each census cluster, or for some higher level of aggregation). Consequently those papers do not describe an *estimator* in the technical sense (i.e. a measurable function of the observed data). Therefore, my results are vulnerable to the criticism that I have not calculated my estimates according to the *true* poverty-mapping methodology, but according to an apparently similar, though distinct, technique. In appendix A, I describe the diversity of methodological choices consistent with the ELL technique and the associated computations in more detail, and I show that my choices in implementing the ELL technique are consistent with the most popular practices in the poverty-mapping literature.

Of course, the reader may judge for herself if the results are driven mostly by arbitrary methodological choices; but this is *exactly the point at issue*.

3 The Data

I employ three datasets in this paper, all of which were constructed by Statistics South Africa (the national statistics agency): the 1995 Income and Expenditure Survey (Sta97); the 1995 October Household Survey (Sta96); and the 10% sample of the 1996 national population census (Sta98).

3.1 Context: South Africa’s Changing Administrative Geography

Apartheid, the legal structure of racial discrimination and segregation that was enforced in South Africa from 1948 until 1991, produced a dysfunctional system of overlapping administrative hierarchies. These parallel bureaucracies were created as a political conceit, to give substance to the white government’s official claim that the different races should “develop separately”.

When the three datasets (introduced below) were collected, South Africa was partitioned into 354 *magisterial districts*, as defined by the judiciary. Magisterial districts were nested in nine provinces. In 1997, the democratically elected government consolidated these systems into a single sub-national administrative hierarchy, consisting of nine provinces, 47 *district councils* (most, but not all, of which are contained in a single province), and 283 *local municipalities*. Local municipalities, luckily, *are* nested in district councils.

The 10% census sample and the 1995 October Household Survey (described below) do have information on magisterial district, which allows me to attach (magisterial) district-level means to observations in the survey data, as is encouraged by the poverty-mapping literature.

3.2 Income and Expenditure Survey/October Household Survey

Originally intended to provide a basis for inflation data, the Income and Expenditure Surveys (IES) are a series of household-level surveys, covering patterns of consumption and the composition of income. An IES has been collected by Statistics South Africa every five years since 1995.

The 1995 IES was collected as the second phase of the October Household Survey (OHS) of the same year. The October Household Surveys (OHS) were a series of household-level surveys - covering the labour market experiences of the population, migration, household welfare (access to amenities and goods ownership, for example), and other demographic information - that were collected annually from 1993 to 1999. As such, the sampling design of the 1995 IES is identical to that of the 1995 OHS. Specifically, the population (as recorded in the 1991 census) was stratified by race, urban/rural category and province. Then, 3000 enumerator areas were sampled, and ten households were randomly chosen within each of the selected enumerator areas, making for a total sample of 30 000 households. Non-response was very low, with only 405 households refusing to cooperate. The final OHS sample thus contained 29 595 households, representing a total of 130 787 persons.

Because the poverty line in this paper depends only on total household welfare and not on per-capita equivalents, I use the logarithm of total monthly household consumption, as measured in the IES, as the dependent variable. The household covariates (education of members, demographic structure etc.) come from the OHS. Because the IES was conducted

after the OHS (in December 1995), there was some attrition. Also, some households do not match between the two surveys; I therefore lose some observations in merging the IES and the OHS. Furthermore, I decided to drop the households with missing values for any of the variables in the subsequent analysis. In the end, I was left with a sample of 27 830 households, representing 122 607 individuals.

3.3 1996 South African Census

In 1998, Statistics South Africa released the 10% sample of unit records, which was a systematic sample of the full census data, after stratification on province, district council and local authority.⁵ This data was collected in October 1996, and was intended to be an exhaustive sample of all persons inside the borders of the Republic on Census night (October 9th – 10th).

The census contains information on households’ demographic structure; on variables describing employment and labour market outcomes; and on their living conditions and other economic variables.

The public release of the census data includes the institutional population (persons in hospitals, prisons, boarding schools, workers’ hostels, military barracks, etc.). I have omitted these observations, since they lack a clear analogue of the census’ definition of “household”. There were 12 995 such persons in the person-level dataset, out of a total 3 481 931 individuals in the 10% sample.

3.4 Data Construction and Cleaning

I examined the census and IES metadata and identified all the variables that contained comparable information. In fact, this turns out to be the same as the set of variables used in (ABD⁺02; ABL⁺00). There are 16 such household-level variables, comprised of information on the demographic structure of the household, economic status (e.g. the type of dwelling, the number of skilled workers resident in the household, whether the household owns a telephone), and on the nature of the household’s neighborhood (e.g. urban/rural dummies, whether the dwelling is located in a former “tribal homeland”).

I then computed the mean value of these variables, as well as of other indicators available in the census but not in the OHS - such as whether the household owns its dwelling - over each magisterial district in the census data. Since I have geographical information in both datasets, I was able to attach the area means to the IES observations.

4 Results

I calculate the poverty headcount using the 1995 IES as the survey dataset and the 1996 South African population census by the ELL technique, using the specific methodological choices described in section 2.3. For comparability with the results of (ABD⁺02; ABL⁺00), I use the following poverty line:

⁵Unfortunately, the geography information in the public release of the 1996 census does not conform to the new administrative divisions, even though the sampling process involves stratification on district council.

A person is poor if they live in a household with total expenditure less than R800/month.

Say there are K_H household-level covariates and K_D area-level means, and we pick k_H and k_D of each. Then there are

$$\binom{K_H}{k_h} \times \binom{K_D}{k_d}$$

possible choices of first-stage specification.⁶

I sample 50 such specifications at random and compute $\hat{\mu}_a$ (for each a) given each specification. I generate random first-stage specifications by drawing a random subset of 75% of the possible household covariates and 75% of the district-level mean variables. For comparison, I also calculated estimates of the headcount using every variables in the dataset that was not dropped due to collinearity. I call this last specification the “maximal model”.

Space constraints prevent me from displaying all of the results in this paper. I document those results not displayed below in the appendix, in section B.

4.1 Sensitivity to Specification

4.1.1 Point Estimates: Small Areas

In Table 1, I present summary statistics for the magisterial districts in the North West province over the 50 randomly generated specifications; I ranked the areas in descending order of the estimated headcount (under the maximal model). I want to highlight two features of the distributions of estimates over the different specifications.

Firstly, the range of estimates that can be obtained is very large. For Kudumane, for example, one specification leads to a low (by South African standards) headcount of 27.8%, while another specification leads to the spectacularly high headcount of 75.9%. By a judicious choice of specification, a researcher could throw over 48% of the residents of this area into (or out of) poverty. Although Kudumane is the worst example of this sensitivity in the North West province, it is not without peer. Even the Brits district, which has the narrowest range of estimates in the province (17%), the interquartile range is a substantial 4.9%.

Secondly, the instability is not merely an artifact of a few poorly chosen models. For most of the districts in Table 1, the interquartile range of the headcount estimates is high too, generally on the order of 8%, but for several areas it is above 10%. To see this, look at Figure 1, where I plot kernel density estimates of the distribution of headcount estimates for selected areas over the 50 random specifications. A casual glance at Figure 1 indicates that it is easily possible to obtain very different estimates of the headcount just by picking different specifications.

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Phokwani	0.735	0.540	0.264	0.738	0.474	0.156
Kudumane	0.706	0.565	0.278	0.759	0.481	0.126

Continued on next page. . .

⁶In practice, this varies between regions because some variables end up getting dropped in some provinces but not in others. For example, in the Western Cape $K_D = 18$, $K_H = 15$, so with $k_H = \text{round}(0.75 \times K_H) = 11$ and similarly for $k_d = 14$, we have $1365 \times 3060 = 4\,176\,900$ possible specifications.

Table 1 (continued from previous page)

Magisterial District	HC (maximal) ⁷	Mean	Min	Max	Range	IQR
Wolmaransstad	0.609	0.607	0.480	0.727	0.248	0.082
Huhudi	0.590	0.577	0.328	0.744	0.416	0.087
Schweizer-Reneke	0.588	0.668	0.554	0.761	0.207	0.069
Mmabatho	0.569	0.488	0.224	0.659	0.435	0.130
Vryburg	0.522	0.377	0.219	0.515	0.297	0.083
Lichtenburg	0.481	0.445	0.309	0.586	0.278	0.096
Ventersdorp	0.429	0.390	0.284	0.570	0.286	0.063
Mankwe	0.371	0.420	0.220	0.582	0.362	0.111
Potchefstroom	0.364	0.315	0.208	0.399	0.191	0.076
Madikwe	0.349	0.386	0.214	0.589	0.375	0.121
Christiana	0.328	0.345	0.226	0.454	0.229	0.073
Brits	0.291	0.272	0.205	0.378	0.173	0.049
Delareyville	0.288	0.410	0.276	0.587	0.311	0.067
Ga-Rankuwa	0.241	0.279	0.208	0.383	0.174	0.052
Temba	0.231	0.279	0.172	0.556	0.384	0.074
Klerksdorp	0.221	0.229	0.120	0.352	0.232	0.053
Rustenburg	0.193	0.306	0.156	0.413	0.257	0.056

Table 1: Estimates Over 50 Random Specifications, North West

4.1.2 Intra-Regional Rankings

The instability of the headcount estimates is cannot be blamed on a rank-preserving region-wide shift in the estimated headcount. To see this, I compared the rankings of magisterial districts within the province across specifications. The ranges of rankings obtained from the various specifications are as dramatic as those for the point estimates. The ranges observed in Table 2, for many of the districts, imply that mere specification choice can not merely shift, but practically reverse the relative rankings of the areas.

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Phokwani	1	4.9	1	12	11	3
Kudumane	2	4.0	1	11	10	3
Wolmaransstad	3	3.3	1	8	7	2
Huhudi	4	3.5	1	9	8	2
Schweizer-Reneke	5	1.5	1	5	4	1
Mmabatho	6	6.7	2	17	15	3
Vryburg	7	11.2	4	18	14	4
Lichtenburg	8	7.8	2	15	13	4
Ventersdorp	9	10.1	5	15	10	3
Mankwe	10	9.3	5	16	11	2
Potchefstroom	11	13.9	8	19	11	4
Madikwe	12	11.1	5	19	14	4
Christiana	13	12.7	6	19	13	3
Brits	14	16.1	8	19	11	3
Delareyville	15	9.4	4	16	12	3
Ga-Rankuwa	16	16.0	9	19	10	2

Continued on next page...

Table 2 (continued from previous page)

Magisterial District	Rank (maximal) ⁸	Mean	Min	Max	Range	IQR
Temba	17	15.5	3	19	16	5
Klerksdorp	18	18.0	14	19	5	2
Rustenburg	19	14.8	11	19	8	3

Table 2: Within-Province Rankings Over 50 Random Specifications, North West

Consider the Temba district, for example. In a province of only 19 magisterial districts, a careful choice of specification could make Temba appear either relatively very well-off (the least poor area in the province), or bitterly poor (the third poorest). Again, Temba is not atypical; for 14 out of the 19 areas in Table 2, the range of the rankings over the 50 random specifications is greater than 10. This means that for such an area, there is a pair of specifications j, j' such that the ELL estimate under j puts the area in the poorest half of the province; under the specification j' , the area would be considered in the richest half of the intra-provincial ranking.

4.1.3 Point Estimates: (Reaggregated) Regional

Since the headcount is additively separable, I reaggregated the estimated headcounts in each area, weighting by the population size of each, to obtain the implied regional headcount for each specification. This provides a direct check of the reliability of the ELL estimates, since the IES data is representative at the provincial level.

Summary statistics on the distribution of the implied provincial headcount for each of the nine provinces appear in Table 3, alongside the headcount estimates from the IES data (adjusting the standard errors for the clustered sample design).

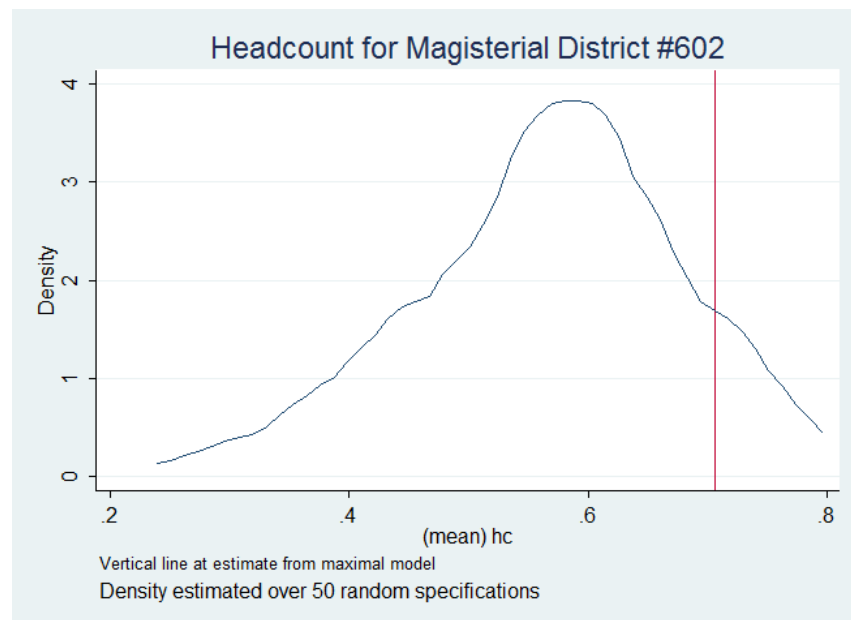


Figure 1: Distribution of Estimates for Kudumane (North West) Over 50 Random Specifications

Province	HC (maximal) ^a	Direct Estimate (std. error)	Mean	Std. Dev.	Min	Max	Range	IQR
W Cape	0.0982	0.11 (0.0097)	0.1042	0.0188	0.077	0.1503	0.0733	0.0224
E Cape	0.446	0.452 (0.0125)	0.4536	0.0252	0.4246	0.5113	0.0867	0.0445
N Cape	0.2737	0.352 (0.0287)	0.2889	0.0241	0.2545	0.3697	0.1152	0.0277
Free State	0.4056	0.476 (0.0182)	0.4092	0.0208	0.3751	0.4684	0.0933	0.0273
KwaZulu-Natal	0.2105	0.194 (0.0107)	0.2074	0.0142	0.1839	0.2489	0.0649	0.0173
North West	0.3756	0.386 (0.0268)	0.3759	0.0384	0.2898	0.4612	0.1713	0.0522
Gauteng	0.0992	0.066 (0.0083)	0.0958	0.0102	0.0703	0.1162	0.0458	0.0123
Mpumalanga	0.2497	0.246 (0.0205)	0.2487	0.0171	0.2186	0.2895	0.0709	0.0257
Limpopo	0.332	0.353 (0.0208)	0.325	0.0199	0.2799	0.3757	0.0958	0.0244

Table 3: Implied Regional Headcount Over 50 Random Specifications, by Province

^aMaximal specification.

Regrettably, the ELL estimates appear to contradict the direct (IES) estimates, at least for some specifications. For example, the direct estimate of the headcount for the Eastern Cape is 45.2%. This is very close the same as the mean of the implied ELL estimates over the random specifications, 45.4%. However, the ELL estimates range as high as 51.1%, more than six standard deviations above the IES estimate. For the Free State, the average ELL estimate is 40.9%, while the IES data suggests that the headcount is substantially higher - 47.6%. The worst performer, though, is Gauteng: the IES estimate, 6.6%, is entirely outside of the range of ELL estimates. The *lowest* ELL estimate of Gauteng's headcount, 7.0%, is about half a standard deviation higher than the IES estimate.

Though the reaggregated estimates have narrower ranges than the area-specific ones, there is still substantial variation across specifications. This is evident in Table 3. At the time of the 1996 Census, Gauteng had a population of approximately 6.9 million. A shift of 4.5% in Gauteng's headcount estimate would therefore imply the transition of about 310 500 persons in (or out) of poverty; and Gauteng is the *least* sensitive of the provinces.

In Figure 2, I display the density of the implied headcount for the Eastern Cape over the randomly generated specifications. For the Eastern Cape, specification choice is powerful enough to either throw the equivalent of a mid-sized city - over half a million people - into poverty, or to lift them out of it. (The Eastern Cape had a population of approximately 6.1 million at the time.)

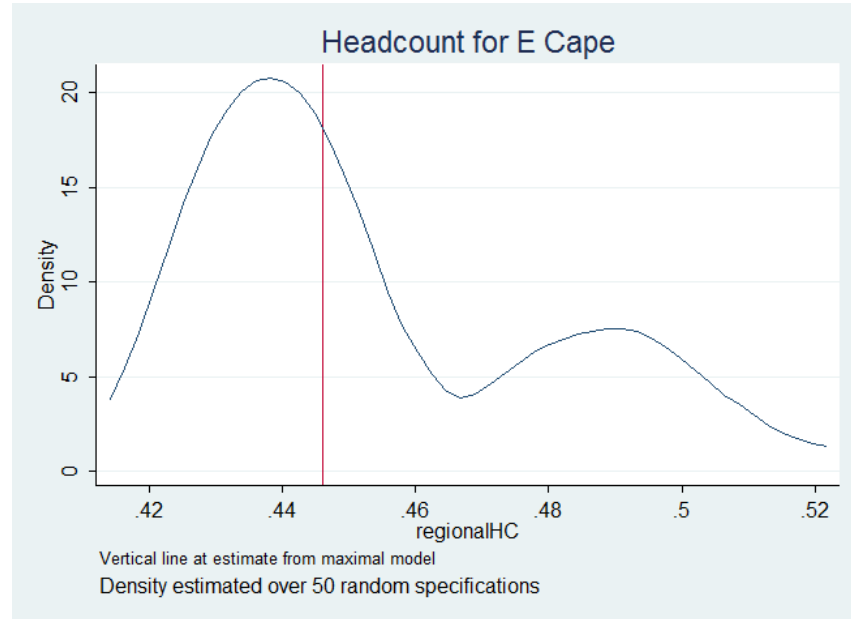


Figure 2: Density of Implied Headcount Over 50 Random Specifications, Eastern Cape

I remind the reader that *all* of these estimates are based on first-stage models that have “high predictive power,” and that the poverty mapping literature has almost universally adopted this informal criterion as its sole methodological principle. In section 4.3.1 I explain why this criterion is inadequate, and I show how high R^2 values can coexist with very poor

models (in the sense of consistent parameter estimation).

4.2 Finite-Sample Bias

4.2.1 Existence

The differences documented above are so large - for some areas, the range of possible estimates is on the order of 0.5 or even larger - that it seems at least plausible that distinct specifications are not centred on the same values. If the latter holds, then at least some implementations of ELL yield biased estimates. As trivial as this point seems, it has been completely ignored by the literature.

Either all choices of specification lead to unbiased estimates, or at least some do not. The same comments hold with respect to the consistency of the estimates, and I will discuss the conditions under which ELL estimates will be consistent in section 4.3. Below, I use this logical truism to test for the presence of finite-sample bias indirectly.

Consider a pair of specifications for the first-stage model; call them \mathbf{X} and \mathbf{W} . If both estimates $\widehat{\mu}_a(\mathbf{X})$ and $\widehat{\mu}_a(\mathbf{W})$ are unbiased (for a given area) then the expectation of their difference must be zero. Define

$$\begin{aligned} m_x &= \mathbb{E}[\widehat{\mu}_a(\mathbf{X})] \\ m_w &= \mathbb{E}[\widehat{\mu}_a(\mathbf{W})] \end{aligned}$$

Say the sample size of the survey is s . A natural test statistic for $H_0 : m_x = m_w$ (against $H_1 : m_x \neq m_w$) would be

$$\begin{aligned} \widehat{d}_s &= \widehat{\mu}_a(\mathbf{X}) - \widehat{\mu}_a(\mathbf{W}) \\ &= [\widehat{\mu}_a(\mathbf{X}) - \mu_a] + [\mu_a - \widehat{\mu}_a(\mathbf{W})] \end{aligned} \tag{6}$$

since under H_0 , $\mathbb{E}[\widehat{d}_s] = d_s = 0$. If we reject H_0 , then we know that at least one of the two estimators is biased.

I approximate the joint sampling distribution of $(\widehat{\mu}_a(\mathbf{X}), \widehat{\mu}_a(\mathbf{W}))$ - and, by implication, the sampling distribution of \widehat{d}_s - by bootstrapping the estimates. For each region I chose two of the 50 randomly generated specifications. Then, for $b = 1, \dots, B = 200$, I resampled the IES observations with replacement. On each resampled dataset I then computed the ELL estimates for each specification, $\widehat{\mu}_b^*(\mathbf{X})$, $\widehat{\mu}_b^*(\mathbf{W})$, and their difference, $\widehat{d}_{s,b}^*$.

The resulting first-stage models performed well in terms of the R^2 statistic. All provinces have mean R^2 -values over 0.5, and *no* first-stage model obtains an R^2 lower than 0.47. Thus, I also consider all of the bootstrapped estimates to have satisfied the literature's criteria.

Consider Figures 3 and 4, which show the joint distribution of the estimated headcount for Komga, in the Eastern Cape, over the 200 bootstrap samples. The ranges of the two estimates relative to one another is the most striking feature of Figure 3: the scatter does not even come close to the diagonal. If these estimators had the same means, we would expect to see much of the scatter concentrated about the line of equality, where $\widehat{\mu}_a(\mathbf{X}) = \widehat{\mu}_a(\mathbf{W})$. Instead, every single pair of estimates satisfies the same strict inequality $\widehat{\mu}_a(\mathbf{X}) > \widehat{\mu}_a(\mathbf{W})$ (where $\widehat{\mu}_a(\mathbf{W})$ is plotted on the vertical axis).

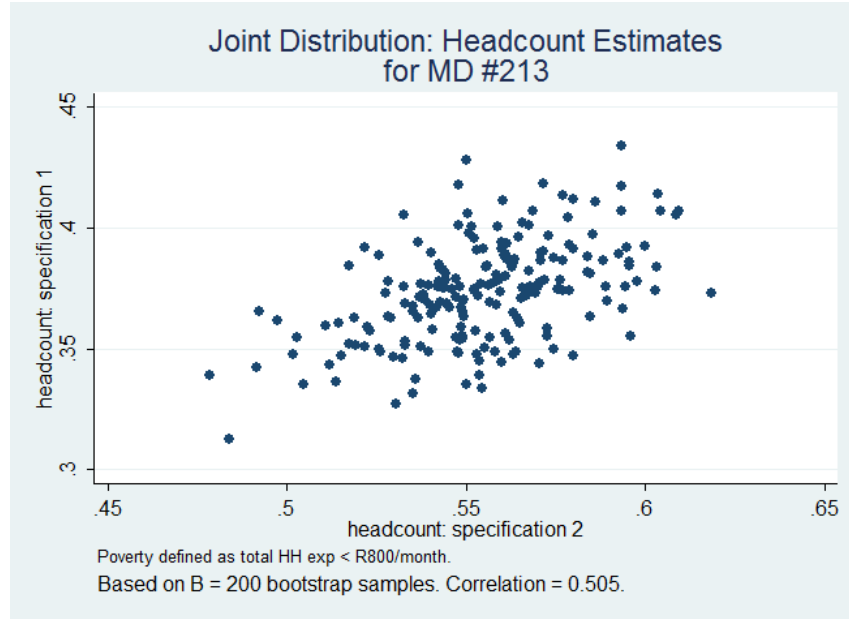


Figure 3: Joint Distribution of Bootstrapped Estimates for Komga (Eastern Cape)

The marginal densities for Komga are depicted in Figure 4. Notice how the support of the densities are disjoint, which implies that 0 will be outside of the support of the bootstrap density of \hat{d}_s . In fact we can see this directly in Figure 5; not *one* of the bootstrapped pairs of headcounts enjoys a discrepancy of less than 10%.

As with the sensitivity of the point estimates, the bias result holds at the region level too. I calculate the implied regional headcount under both specifications for each bootstrap sample to obtain an approximation to the sampling distribution of \hat{d}_b^* at the region level. The resulting density for KwaZulu-Natal is depicted in Figure 6 below. There is clearly a systematic difference between the two estimates; and again, 0 is outside of the support of the (approximate) sampling density of \hat{d}_s .

I compute 80%, 90%, and 98% confidence intervals for the difference between the estimates by calculating the $100 \times (\alpha/2, 1 - \alpha/2)$ percentiles of the bootstrap distribution of the \hat{d}_b^* . This allows me to test $H_0 : d_s = 0$ for each magisterial district and for each region. I tabulate the results of these tests in Table 4.

The hypothesis of mutual lack of bias fails spectacularly. Not *one* of the provinces fails to reject the null, and even the strictest tests (at a 2% level of significance) we can reject H_0 for more than half of the areas in all provinces save Mpumalanga and Limpopo. If we trade off a little bit of size for power, we can reject H_0 for well over half of the districts in *all* provinces at 10% significance, and for the Western Cape, we can reject $d = 0$ for *every single area*. And the most powerful test - at 20% significance - rejects H_0 in more than two-thirds of the areas in *every* province, with some provinces (the Free State, the Western Cape, and KwaZulu-Natal) confirming the presence of bias for over 90% of their magisterial districts.

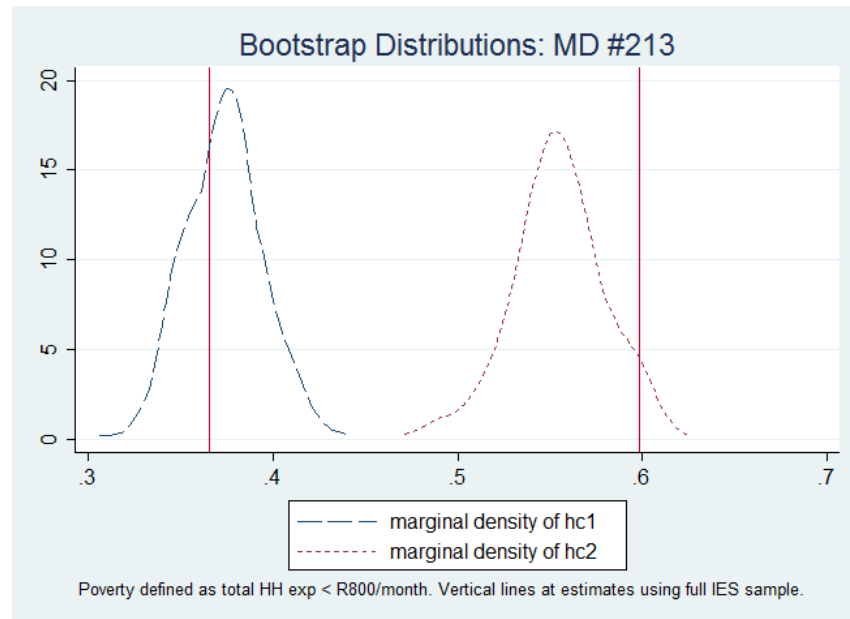


Figure 4: Marginal Bootstrap Densities for Komga (Eastern Cape)

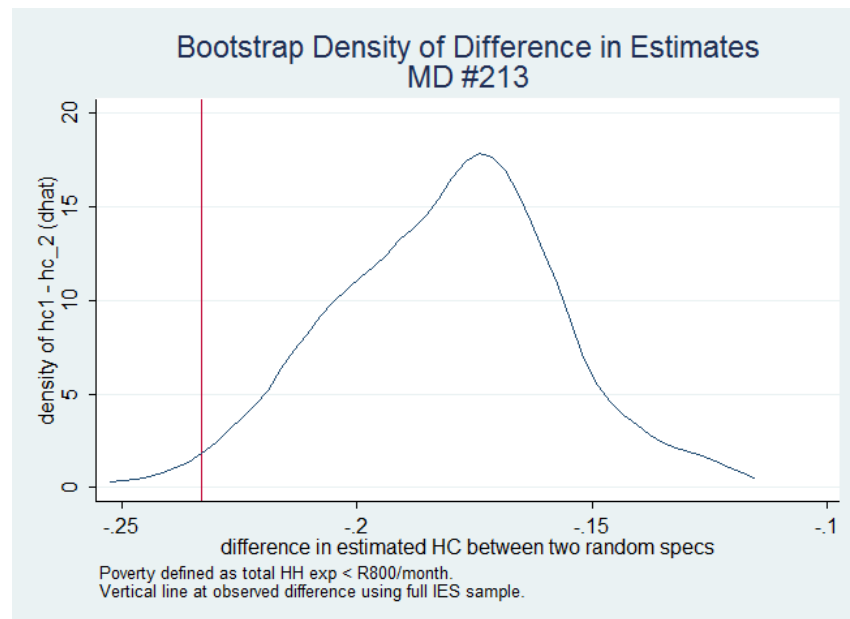


Figure 5: Marginal Bootstrap Density for Difference in Estimates, Komga (Eastern Cape)

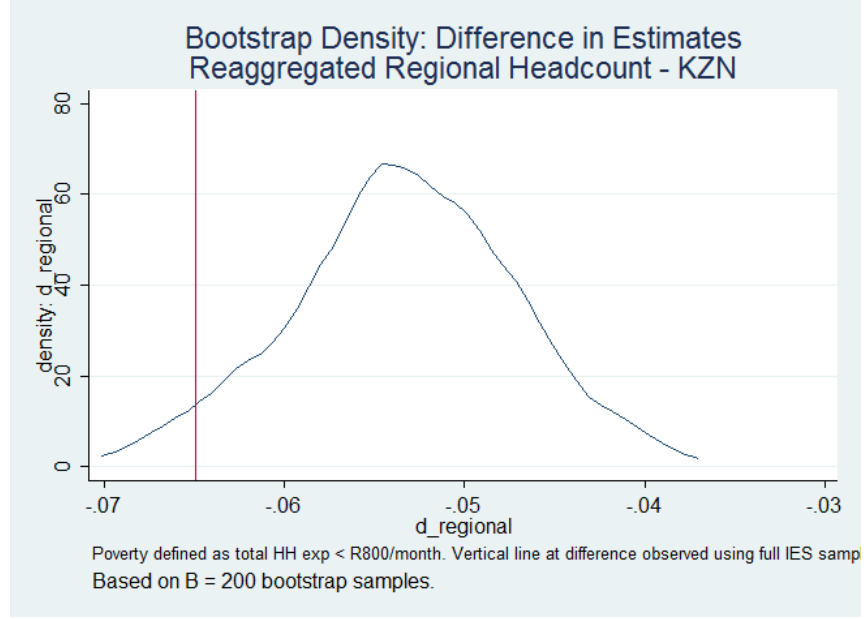


Figure 6: Marginal Bootstrap Density for Difference in Estimates, Reaggregated Headcount (KwaZulu-Natal)

4.2.2 Magnitude

Having confirmed the presence of finite-sample bias, I estimate a lower bound for its magnitude with half the absolute value of the mean of $\hat{d}_{s,b}^*$. This is truly a lower bound, because

$$\begin{aligned}\mathbb{E}[\hat{d}_s] &= \mathbb{E}[\hat{\mu}_a(\mathbf{X}) - \mu_a] - \mathbb{E}[\hat{\mu}_a(\mathbf{W}) - \mu_a] \\ &= \text{bias}(\hat{\mu}_a(\mathbf{X})) - \text{bias}(\hat{\mu}_a(\mathbf{W}))\end{aligned}\tag{7}$$

implying that

$$\begin{aligned}\frac{1}{2}|\mathbb{E}[\hat{d}_s]| &= \frac{1}{2}|\text{bias}(\hat{\mu}_a(\mathbf{X})) - \text{bias}(\hat{\mu}_a(\mathbf{W}))| \\ &\leq \frac{1}{2}(|\text{bias}(\hat{\mu}_a(\mathbf{X}))| + |\text{bias}(\hat{\mu}_a(\mathbf{W}))|) \\ &\leq \max\{|\text{bias}(\hat{\mu}_a(\mathbf{X}))|, |\text{bias}(\hat{\mu}_a(\mathbf{W}))|\}\end{aligned}\tag{8}$$

Thus, for each area (or region) the statistic

$$\hat{l}_s = \left| \frac{1}{2B} \sum_{b=1}^B \hat{d}_{s,b}^* \right|\tag{9}$$

is an approximate lower bound for the size of the bias of one of the estimators. I calculate this lower bound and I tabulate the summary statistics in Table 5.

The estimates in Table 5 tell a story that has now become familiar: the estimates for the North West province are particularly badly behaved, with half its areas having finite-sample

Province		Significance Level		
		2%	10%	20%
W Cape	Areas	97.6	100.0	100.0
	Region	Yes	Yes	Yes
E Cape	Areas	73.1	79.5	84.6
	Region	Yes	Yes	Yes
N Cape	Areas	50.0	69.2	80.8
	Region	Yes	Yes	Yes
Free State	Areas	84.6	90.4	94.2
	Region	Yes	Yes	Yes
KwaZulu-Natal	Areas	74.5	88.2	90.2
	Region	Yes	Yes	Yes
North West	Areas	73.7	78.9	89.5
	Region	Yes	Yes	Yes
Gauteng	Areas	54.2	62.5	75.0
	Region	Yes	Yes	Yes
Mpumalanga	Areas	45.2	58.1	67.7
	Region	Yes	Yes	Yes
Limpopo	Areas	41.9	61.3	67.7
	Region	Yes	Yes	Yes

Table 4: Percentage of Areas Rejecting $d_s = 0$, by Province and Significance Level

Province	Median	Min.	Max.	Regional Lower Bound
Western Cape	0.040	0.012	0.075	0.034
Eastern Cape	0.035	0.001	0.094	0.032
Northern Cape	0.039	0.001	0.098	0.037
Free State	0.048	0.000	0.098	0.047
KwaZulu-Natal	0.035	0.001	0.096	0.026
North West	0.070	0.004	0.196	0.051
Gauteng	0.017	0.002	0.055	0.016
Mpumalanga	0.022	0.001	0.102	0.022
Limpopo	0.025	0.002	0.093	0.017

Table 5: Summary Statistics - Lower Bounds for Bias, By Province

biases of, at *best*, 7%, though the other provinces do not fare much better. For example, under one of the chosen specifications, the estimated headcount for every single area in Limpopo is biased by at least 2%, and for some areas in that province, by at least 9%. And the situation is no better for the region-level estimates: some admissible specifications can yield implied headcounts that are biased by at least 4.7%, using the example of the Free State.

4.3 Consistency

Because the set of available regressors is constrained by those variables which are present and measured comparably in both the survey and the census data, the choice of specification is perforce atheoretic. Unfortunately the type of covariates which are likely to be included are very likely to be endogenous. For example, in the South African data I used in this paper, the possible regressors include variables on the household's amenities: whether it has a telephone, electric lighting, formal sanitation facilities, etc. Regardless of whether the dependent variable is expenditure or income (here, I have used expenditure) the possibility of simultaneity bias cannot be easily dismissed. Similarly, the demographic variables present in census data (like household size or the gender of the household head) are almost certainly correlated with the regression error in any model of consumption.

4.3.1 A Simple Illustration of the Inadequacy of the R^2 Criterion

First, I want to dismiss any persistent concerns that the high first-stage R^2 statistics indicate that the second-stage imputations will be close to the true values. Consider the following data-generating process:

$$y_i = x_i\beta_0 + \varepsilon_i \quad (10)$$

$$\text{Cov}(x, \varepsilon) = \alpha \quad (11)$$

with $\mathbb{E}[x] = 0 = \mathbb{E}[\varepsilon]$, $\text{Var}[x] = V_x$, and $\text{Var}[\varepsilon] = \sigma^2$.

Say we have a simple random sample of size s from this process and we compute $\hat{\beta}$ by OLS. Then the R^2 measure is

$$\begin{aligned} R_s^2 &= \frac{\frac{1}{s} \sum_{i=1}^s (x_i \hat{\beta}_s - \bar{y}_s)^2}{\frac{1}{s} \sum_{i=1}^s (y_i - \bar{y}_s)^2} \\ &= \frac{(\hat{\beta}_s)^2 (\frac{1}{s} \sum_{i=1}^s x_i^2) - 2(\hat{\beta}_s)(\bar{y}_s)(\bar{x}_s) + \bar{y}_s^2}{\frac{1}{s} \sum_{i=1}^s (y_i - \bar{y}_s)^2} \end{aligned} \quad (12)$$

Define

$$\begin{aligned} \theta &= \text{plim}_{s \rightarrow \infty} \hat{\beta}_s \\ &= \beta_0 + \frac{\alpha}{V_x} \end{aligned} \quad (13)$$

The denominator of (12) is consistent for $\text{Var}[y] = \beta_0^2 V_x + 2\beta_0 \alpha + \sigma^2$. Using Slutsky's Theorem and the fact that $(x_i^2)_{i=1}^\infty$ is an i.i.d. process when $(x_i)_{i=1}^\infty$ is, we see that the numerator, the "explained" sum of squares, has probability limit

$$\begin{aligned} \text{plim}_{s \rightarrow \infty} \frac{1}{s} \sum_{i=1}^s (\hat{y}_i - \bar{y}_s)^2 &= \theta^2 V_x - 2\theta \mathbb{E}[y] \mathbb{E}[x] + (\mathbb{E}[y])^2 \\ &= \left(\beta_0 + \frac{\alpha}{V_x} \right)^2 V_x \\ &= \beta_0^2 V_x + 2\beta_0 \alpha + \alpha^2 / V_x \end{aligned}$$

so that

$$\begin{aligned} R_\infty^2(\alpha) &= \lim_{s \rightarrow \infty} R_s^2 \\ &= \frac{\beta_0^2 V_x + 2\beta_0 \alpha + \alpha^2 / V_x}{\beta_0^2 V_x + 2\beta_0 \alpha + \sigma^2} \end{aligned} \quad (14)$$

Notice that $R_\infty^2 \rightarrow 1$ as $\alpha \rightarrow \pm \sigma \sqrt{V_x}$. This is perfectly intuitive: if x and ε are highly correlated, then x should “explain” much of the variation in y - the x part and most of the ε part, too! So a high R^2 might just indicate severe endogeneity, which also means that $|\theta - \beta_0| \gg 0$.

4.3.2 Direct Evidence: Specification Choice Shifts The Conditional Mean

Now, to see why first-stage consistency (and hence the choice of specification) has such a large impact on the estimates, despite the uniformly high R^2 values, consider the formula for the estimator $\hat{\mu}_a(\mathbf{X}_a)$ (neglecting the error due to numerical integration):

$$\hat{\mu}_a = \int_{\mathbb{R}^K} \left[\int_{\mathbb{R}^{N_a}} W(\mathbf{y}) \hat{f}(\mathbf{y}|\mathbf{X}_a, \tilde{\beta}) d\mathbf{y} \right] \hat{f}^a(\tilde{\beta}|\mathbf{X}_R, \hat{\beta}) d\tilde{\beta}$$

This suggests two ways in which the ELL technique can fail.

Firstly, $\hat{f}^a(\hat{\beta}|\mathbf{X}_R)$, the estimated asymptotic distribution of $\hat{\beta}$ - which we get from the first-stage regression - could be a poor approximation. Estimating $\hat{\beta}$ inconsistently is a good way to ensure this. In particular, if $\lim_{s \rightarrow \infty} \hat{\beta} = \theta \neq \beta_0$, the distribution with respect to which we integrate the inner integral (which is a function of $\tilde{\beta}$) will concentrate probability mass on ever-smaller neighbourhoods of θ as the IES sample size, s , increases. This only matters if getting β right matters. It turns out that it does, which I will show below.

Secondly, $\hat{f}(\mathbf{y}_a|\mathbf{X}_a, \hat{\beta})$, the implied conditional density of log expenditure, could be a poor approximation to the true conditional density. Intuitively, if $\hat{\beta}$ is not consistent for β_0 but instead for $\theta \neq \beta_0$, the hyperplane $\mathbf{x}_i \hat{\beta}$ about which each household i 's simulated (log) expenditure varies will differ systematically from the true conditional mean $\mathbf{x}_i \beta_0$.

In fact, we can see this happening directly from the estimation results. In Figure 7 I exhibit the kernel density estimates of the marginal density of $\mathbf{x} \hat{\beta}^j$ for alternative specifications j for Bizana, in the Eastern Cape.

The difference in the estimated conditional mean between the two specifications is visually obvious. For Bizana, the estimated density of the conditional mean under specification 2 is strongly concentrated below the poverty line, while specification 1 appears to predict that a substantial minority of individuals will obtain incomes above the poverty line. And, indeed, we see this in Figure 8, which displays the marginal densities of the bootstrap distribution of the two headcount estimates for Bizana: the density for specification 2 puts most of its probability mass to the right of the density for specification 1.

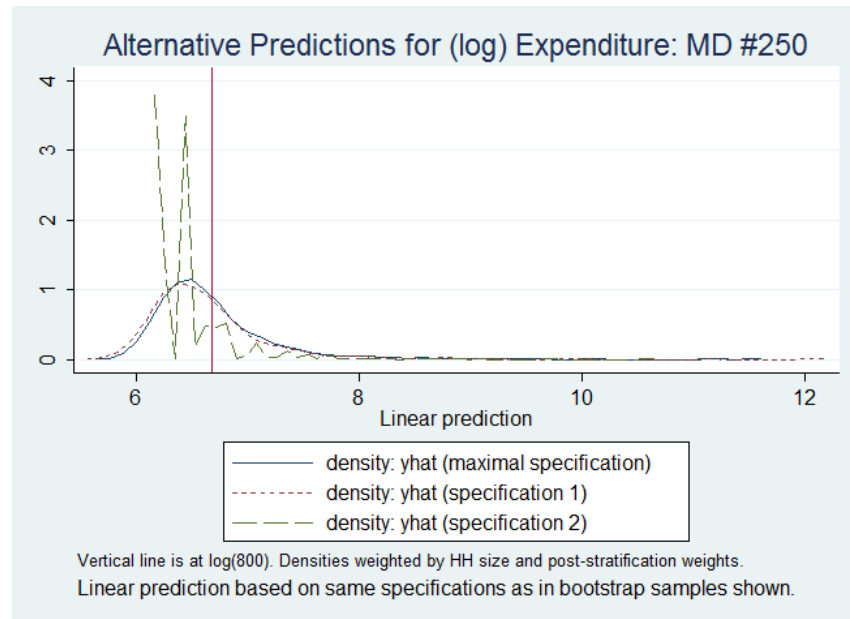


Figure 7: Estimated Conditional Mean Log Expenditure Under Different Specifications, Bizana (Eastern Cape)

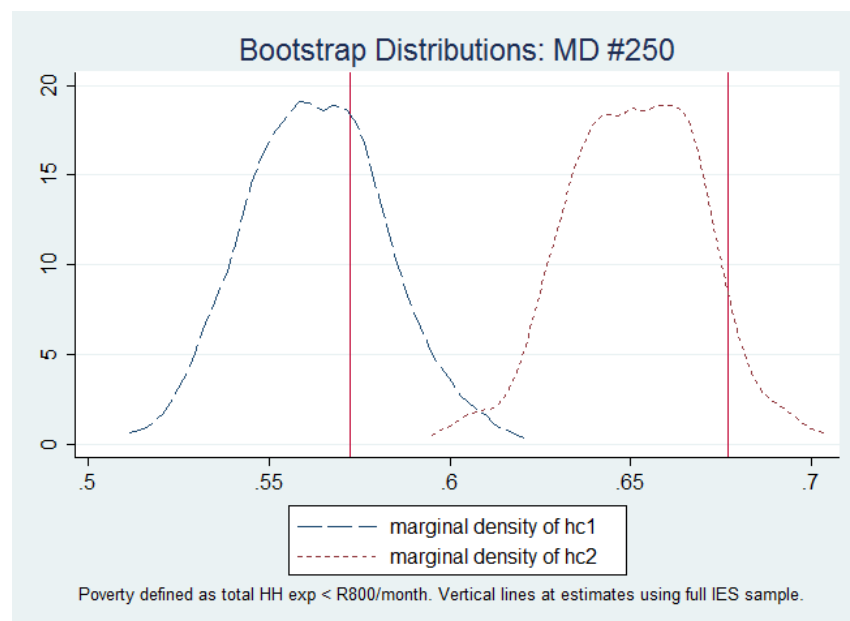


Figure 8: Marginal Bootstrap Densities for Bizana (Eastern Cape)

Figure 7 certainly suggests that inconsistent estimation in the first stage of ELL will have a

large impact on the final estimates of the headcount. In fact we can decompose the difference between the true headcount and the headcount as estimated by the ELL technique into two components that I call *sampling error* and *specification error*. Below, I show that although the sampling error becomes negligible with large survey samples, the specification error is likely to persist asymptotically, *unless* the first-stage estimation is consistent.

4.3.3 Specification Error and Sampling Error: A Formal Decomposition

If, as in this paper, $W(\cdot)$ is the headcount measure the *true* (conditional) expected value of W is:

$$\begin{aligned}\mu_a &= \int_{\mathbb{R}^{N_a}} \left[\frac{1}{N_a} \sum_{i=1}^{N_a} \mathbf{1}_{\{\mathbf{x}_i \beta_0 + u_i < z^*\}} \right] f(\mathbf{u}) d\mathbf{u} \\ &= \frac{1}{N_a} \sum_{i=1}^{N_a} \mathbb{P}(u_i < z^* - \mathbf{x}_i \beta_0) \\ &= \frac{1}{N_a} \sum_{i=1}^{N_a} F_i(z^* - \mathbf{x}_i \beta_0)\end{aligned}\tag{15}$$

where $F_i(\cdot)$ is the true marginal cumulative distribution function of census household i 's disturbance term, u_i .

Ignore the numerical integration over the presumed sampling distribution of $\hat{\beta}$. What we are able to calculate is

$$\begin{aligned}\hat{\mu}_a &= \int_{\mathbb{R}^{N_a}} \left[\frac{1}{N_a} \sum_{i=1}^{N_a} \mathbf{1}_{\{\mathbf{x}_i \hat{\beta} + u_i < z^*\}} \right] \hat{f}(\mathbf{u}) d\mathbf{u} \\ &= \frac{1}{N_a} \sum_{i=1}^{N_a} \hat{F}_i^s(z^* - \mathbf{x}_i \hat{\beta})\end{aligned}\tag{16}$$

where $\hat{F}_i^s(\cdot)$ is the marginal cumulative distribution function chosen by the researcher, and the superscript s emphasizes that the function itself depends on the survey sample, either through rescaling (if a parametric distribution is imposed on \mathbf{u}) or directly (if, say, the empirical distribution of the first-stage residuals is used).

Each term $F_i(z^* - \mathbf{x}_i \beta_0) - \hat{F}_i^s(z^* - \mathbf{x}_i \hat{\beta})$ in the difference (15) - (16) is identically equal to

$$\begin{aligned}F_i(z^* - \mathbf{x}_i \beta_0) - \hat{F}_i^s(z^* - \mathbf{x}_i \hat{\beta}) &= \overbrace{F_i(z^* - \mathbf{x}_i \beta_0) - F_i(z^* - \mathbf{x}_i \hat{\beta})}^{\text{specification error}} \\ &\quad + \underbrace{F_i(z^* - \mathbf{x}_i \hat{\beta}) - \hat{F}_i^s(z^* - \mathbf{x}_i \hat{\beta})}_{\text{sampling error}}\end{aligned}\tag{17}$$

Suppose that the empirical distribution is chosen for \hat{F}_i^s , as is the case in this paper. Then we have $\hat{F}_i \longrightarrow F_i$ on \mathbb{R} uniformly almost surely, by the Glivenko-Cantelli Theorem, so that the

“sampling error” term in (17) has probability limit 0.⁹ However, the “specification error” term is likely to persist. If we further assume that the true cdf F is differentiable on \mathbb{R} (implying the existence of a density f_{u_i}), an application of the mean value theorem yields

$$\begin{aligned} F_i(z^* - \mathbf{x}_i\beta_0) - F_i(z^* - \mathbf{x}_i\hat{\beta}) &= f_{u_i}(y_{i,s}^*)\mathbf{x}_i(\hat{\beta} - \beta_0) \\ &\longrightarrow f_{u_i}(y_i^\infty)\mathbf{x}_i(\theta - \beta_0) \end{aligned} \quad (20)$$

(in probability), where $\theta = \text{plim}_{s \rightarrow \infty} \hat{\beta}$, and $y_i^\infty \in [z^* - \mathbf{x}_i\beta_0, z^* - \mathbf{x}_i\theta]$. There are therefore two ways that the specification error term can vanish as $s \rightarrow \infty$: one is for the first-stage regression to yield consistent estimates of β_0 . The other is for $f_{u_i}(y_i^\infty)$ to vanish for all households i . This requires the assumption of finite upper or lower bounds to expenditure (so that $f_{u_i}(y) = 0$ for at least some y), and that $\{y_i^\infty : \text{household } i \text{ is in area } a\}$ be disjoint from the support of $f_{u_i}(\cdot)$. I doubt that either one of these conditions will hold in practice.

Thus we have

$$\begin{aligned} \text{plim}_{s \rightarrow \infty} |\mu_a - \hat{\mu}_a| &= \text{plim}_{s \rightarrow \infty} \left| \left[\frac{1}{N_a} \sum_{i=1}^{N_a} F_i(z^* - \mathbf{x}_i\beta_0) - F_i(z^* - \mathbf{x}_i\hat{\beta}) \right] + \left[\frac{1}{N_a} \sum_{i=1}^{N_a} F_i(z^* - \mathbf{x}_i\hat{\beta}) - \hat{F}_i^s(z^* - \mathbf{x}_i\hat{\beta}) \right] \right| \\ &= \left| \text{plim}_{s \rightarrow \infty} \left[\frac{1}{N_a} \sum_{i=1}^{N_a} F_i(z^* - \mathbf{x}_i\beta_0) - F_i(z^* - \mathbf{x}_i\hat{\beta}) \right] \right| \\ &\quad + \left| \text{plim}_{s \rightarrow \infty} \left[\frac{1}{N_a} \sum_{i=1}^{N_a} F_i(z^* - \mathbf{x}_i\hat{\beta}) - \hat{F}_i^s(z^* - \mathbf{x}_i\hat{\beta}) \right] \right| \\ &= \left| \text{plim}_{s \rightarrow \infty} \left[\frac{1}{N_a} \sum_{i=1}^{N_a} F_i(z^* - \mathbf{x}_i\beta_0) - F_i(z^* - \mathbf{x}_i\hat{\beta}) \right] + 0 \right| \\ &= \left| \frac{1}{N_a} \sum_{i=1}^{N_a} f_{u_i}(y_i^\infty)\mathbf{x}_i(\theta - \beta_0) \right| \end{aligned} \quad (21)$$

The magnitude of this asymptotic bias depends on several factors: the unknown error density $f_{u_i}(\cdot)$; the marginal distribution of \mathbf{x} in the area a ; and the asymptotic bias of the first-stage estimates, $\theta - \beta_0$. This dependence is probably the reason that ELL estimates are sensitive to specification: including different regressors in \mathbf{x} alters the direction and magnitude of $\theta - \beta_0$. This is why a “good” model, in the sense that it has a high first-stage R^2 , does not necessarily produce consistent estimates of the integrals of functions weighted by its estimated conditional density.

9

THEOREM 1 (Glivenko-Cantelli). *Let $(X_k)_{k=1}^\infty$ be an i.i.d. sequence of random variables. Denote by $F(\cdot)$ the cumulative distribution function of each X_k . Then the random variable*

$$\Delta_n = \sup_{x \in \mathbb{R}} |F_n(x) - F(x)| \longrightarrow 0 \quad (18)$$

almost surely, where

$$F_n(x) = \frac{1}{n} \sum_{k=1}^n \mathbf{1}_{\{X_k \leq x\}} \quad (19)$$

is the empirical cdf based on the first n observations of the sequence.

5 Conclusions

I have demonstrated that the point estimates themselves are heavily influenced by the choice of model specification, and that this sensitivity operates not only at the area level but also at the region level. In that the small-area estimates produced in this manner fail to respect the reaggregation constraint imposed by the region-level headcount, these small-area estimates actually *destroy* information.

I have also shown that the differences between the area- and region- level estimates generated by at least one pair of admissible specifications cannot be plausibly blamed on sampling error, but instead indicate the presence of finite-sample bias. Moreover, the magnitude of this bias is not small: I have shown that some specifications return estimates which are biased by at *least* 19% in some areas. Finally, I have shown that this bias will not vanish in large samples: ELL estimates will fail to consistently estimate the poverty headcount unless the first-stage model yields consistent estimates of the conditional mean of expenditure.

A major attraction of the ELL method has been its apparent precision, i.e. the estimated standard errors are usually quite low (in general, on the order of 0.02 for most areas), as long as the location effect η is simulated at the cluster level. This has provoked a meta-literature on the true size of the standard errors. My argument in this paper is quite different. In view of the wide range of estimates that can be obtained by picking different specifications, and given that at least some of these specifications lead to biased and inconsistent estimates, it is not obvious - at least, not to me - what exactly the estimates generated by the ELL technique represent. Since the choice of first-stage specification is pivotal for the final estimates, I find it hard to assign any validity to the poverty maps in the literature. While of course some of the small-area estimates may be approximately correct, I do not see a way to distinguish between the areas for which the ELL estimates are likely to be close to the truth, and those for which they are likely to be distant.

The lack of any kind of sensitivity analysis (with respect to specification) makes the situation far worse. At the very least, the producers of poverty maps should include some discussion of whether the rankings and point estimates are robust to alternative first-stage specifications. The end-users of these poverty maps should be aware that the basis on which they are allocating very large amounts of scarce funds is, to a large extent, the product of arbitrary and unexamined methodological choices.

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A Further Details on the ELL Technique

A.1 Computations

Recall that there are two basic steps to the ELL technique: the estimation of a model of $y|\mathbf{x}$, and the numerical integration of $W(\cdot)$ with respect to the implied estimate of the conditional density. Below I describe in more detail how to perform these calculations, as well as briefly explaining (in section A.1.4) the way that the standard errors of ELL estimates are calculated.

First, though, I introduce some notation. Let $K = \dim(\mathbf{x})$, and define $g : \mathbb{R}^K \rightarrow \mathbb{R}$ by

$$\begin{aligned} g(\beta|\mathbf{X}_a) &= \mathbb{E}[W(\mathbf{y})|\mathbf{X}_a] \\ &= \int_{\mathbb{R}^{N_a}} W(\mathbf{y}_a) f(\mathbf{y}_a|\mathbf{X}_a, \beta) d\mathbf{y}_a \end{aligned} \quad (22)$$

where $f(\mathbf{y}|\mathbf{X}_a, \beta)$ is the true conditional density of the expenditure vector for area a .

If we simulate draws of $\hat{\beta}$ from its *true* sampling distribution $f(\cdot|\mathbf{X}_R, \beta_0)$, and the *true* conditional density of $\mathbf{y}_a|\mathbf{X}_a$ is actually in the parametric family described by β , we would get the estimate

$$\begin{aligned} \hat{\mu}_a &= \frac{1}{R} \sum_{r=1}^R W(\tilde{\mathbf{y}}^r) \\ &\approx \int_{\mathbb{R}^K} g(\tilde{\beta}) f(\tilde{\beta}|\mathbf{X}_R, \beta_0) d\tilde{\beta} \\ &= \mathbb{E} \left[\mathbb{E} \left[W(\mathbf{y})|\mathbf{X}, \hat{\beta} \right] \right] \\ &= h(\beta_0|\mathbf{X}_a, \mathbf{X}_R) \end{aligned} \quad (23)$$

where I have stressed that the (density of) the sampling distribution of $\hat{\beta}$ depends on \mathbf{X}_R , the matrix of observed covariates from the *survey* data at the *region* level.

A.1.1 Assumptions

The ELL technique proceeds from the following assumptions:

Assumption 1 (Exogeneity). *The expenditure-generating process (for a given region) has a conditional mean linear in the covariates, \mathbf{x} :*

$$\begin{aligned} y_i &= \mathbb{E}[y_i|\mathbf{x}_i] + u_i \\ &= \mathbf{x}_i\beta_0 + u_i \end{aligned} \quad (24)$$

i.e. $\mathbb{E}[u_i|\mathbf{x}_i] = 0$ holds over i .

While of course the set of possible regressors is limited to those variables which are present in both the survey and the census data, exactly which variables should be included in \mathbf{x} is almost never discussed, as I document in section A.3 below. To my knowledge, no poverty mapping paper even discusses the problem of consistently estimating β_0 (and some explicitly spurn identification).

Assumption 2 (Random Effects). *The error term (for a given region) is the sum of two independent components: a “location effect”, η_c , and a household-specific error (“idiosyncratic effect”), ε_{ch} :*

$$u_i = \eta_c + \varepsilon_{ch} \quad (25)$$

(where household i is the h^{th} one in cluster c).

Assumption 3 (Logistic-form Heteroskedasticity of ε).

$$\text{Var}[\varepsilon_i | \mathbf{x}_i] = A \left(\frac{\exp[\mathbf{z}_i \alpha]}{1 + \exp[\mathbf{z}_i \alpha]} \right) + B \quad (26)$$

for some $A > 0$, $B \geq 0$, $\alpha \in \mathbb{R}^p$ and a p -dimensional vector \mathbf{z} , which is a measurable function of \mathbf{x} .

Notice how the data-generating process described by (24) and (25) entails a homogeneity assumption: the differences in the distribution of y between areas is attributable entirely to the differences in the distribution of \mathbf{x} . While this is probably untrue, as (Tar08) argues, it is only important for my purposes insofar as it causes \mathbf{x} to be endogenous. In fact, if we think of area heterogeneity as arising from omitted area dummies and their interactions with the household covariates, then the first stage-estimation of ELL (in step 1 below) is analogous to an inconsistent random-effects estimation when a fixed-effects model is appropriate.

A.1.2 Recreate the Conditional Distribution

Given the above assumptions on the data-generating process, (ELL03) suggests estimating μ_a by the following steps:

1. Estimate β - by OLS or GLS - in the model

$$y_i = \mathbf{x}_i \beta + u_i \quad (27)$$

over the survey observations at the region level.

2. Use the covariates \mathbf{x} to get fitted values $\hat{y} = \mathbf{x} \hat{\beta}$ for all the *census* observations at the *area* level.
3. Add simulated error terms $\tilde{\mathbf{u}}^r$. (ELL03) suggests several options for the choice of distribution from which to draw $\tilde{\mathbf{u}}^r$. Under the assumption that $\eta \equiv 0$, one could use the empirical distribution of the OLS residuals.

If GLS estimation is used in step 1, one must estimate the cluster effects η and the household-specific disturbances ε by demeaning the OLS residuals over the survey clusters:

$$\hat{\eta}_c = \frac{1}{n_c} \sum_{h=1}^{n_c} \hat{u}_{ch} \quad (28)$$

$$\hat{\varepsilon}_{ch} = \hat{u}_{ch} - \hat{\eta}_c \quad (29)$$

Given the estimated household-specific errors, $\hat{\varepsilon}_i$, (ELL03) propose estimating the model of the heteroskedasticity (26) by imposing

$$\begin{aligned} A &= 1.05 \times \max_{c,h} \{\hat{e}_{ch}^2 : 1 \leq c \leq C, 1 \leq h \leq n_c\} \\ B &= 0 \end{aligned}$$

which implies (writing σ_i^2 for $\text{Var}[\varepsilon_i|\mathbf{x}_i]$),

$$\log \left(\frac{\sigma_i^2}{A - \sigma_i^2} \right) = \mathbf{z}_i \alpha \quad (30)$$

Adding an exogenous error term ν to the right-hand side of (30) implies α can be estimated from the regression

$$\log \left(\frac{\hat{\varepsilon}_i^2}{A - \hat{\varepsilon}_i^2} \right) = \mathbf{z}_i \alpha + \nu_i \quad (31)$$

Rearranging (30) and neglecting terms which are $O(h^3)$ in a Taylor approximation of

$$\sigma_i = \sqrt{\frac{A \exp[\mathbf{z}_i \alpha] \exp[\nu_i]}{1 + \exp[\mathbf{z}_i \alpha] \exp[\nu_i]}} \quad (32)$$

about $\nu = 0$ yields the estimated household-specific standard deviation

$$\begin{aligned} \mathbb{E}[\sigma_i|\mathbf{z}_i] &\approx \sqrt{\frac{A\lambda}{1+\lambda}} + \frac{1}{2!} \text{Var}[\nu] \cdot \left[\frac{1}{2(1+\lambda)^2} \sqrt{\frac{A\lambda}{1+\lambda}} \right] \cdot \left[\frac{1-\lambda}{1+\lambda} \sqrt{\frac{A\lambda}{1+\lambda}} - \frac{1}{2} \right] \\ &= \hat{\sigma}_i \end{aligned} \quad (33)$$

where $\lambda = \exp[\mathbf{z}_i \hat{\alpha}]$.¹⁰

Next, one normalizes the estimated idiosyncratic errors by dividing by the respective $\hat{\sigma}_i$ and demeaning them over the s survey observations, i.e.

$$\hat{\varepsilon}_i^* = \frac{1}{\hat{\sigma}_i} \hat{\varepsilon}_i - \frac{1}{s} \sum_{i=1}^s \frac{\hat{\varepsilon}_i}{\hat{\sigma}_i} \quad (34)$$

Within the GLS framework, one can employ the presumed random-effects structure of the data by simulating η and e^* separately (since they are assumed independent of one another), either from the empirical distributions or from a parametric distribution scaled to have the same variance as the empirical distributions. (ELL03) suggests using “standardized normal, t , or other distributions” for this purpose.

¹⁰Some authors expand σ^2 about $\nu = 0$, from which follows the formula:

$$\hat{\sigma}_i^2 \approx \frac{A\lambda}{1+\lambda} + \frac{1}{2!} \text{Var}[\nu] \left(\frac{A\lambda(1-\lambda)}{(1+\lambda)^3} \right)$$

for the estimated idiosyncratic variance - for example, (LLED07), but this is incorrect since the nonlinearity of $\sigma = \sqrt{\sigma^2}$ means that $\sqrt{\mathbb{E}[\sigma^2]} \neq \mathbb{E}[\sigma]$, even though it is the latter that we need to use in standardizing the residuals.

Regardless of the distribution from which the disturbances $\tilde{\eta}_c$ and \tilde{e}_{ch}^* are drawn, one has to choose the level of aggregation at which to simulate η ; choosing the cluster level assigns a randomly drawn $\tilde{\eta}_c^r$ to each census household n in cluster c . On the other hand, if one believes that there are “location effects” that apply at a higher level than the cluster, one could choose to assign the same $\tilde{\eta}^r$ to each household in a larger group, such as the small area level or at some intermediate level of aggregation, depending on the geographical information available in the census.

A.1.3 Integrate With Respect to the Conditional Distribution

4. Repeat step 3 R times, obtaining R complete censuses of expenditure,

$$\tilde{\mathbf{y}}^r = \mathbf{x}\hat{\beta} + \tilde{\mathbf{u}}^r$$

5. Perform Monte Carlo integration on $W(\mathbf{y}_a)$, thus calculating

$$\begin{aligned}\tilde{\mu}_a &= \frac{1}{R} \sum_{r=1}^R W(\tilde{\mathbf{y}}_a^r) \\ &\approx \int_{\mathbb{R}^{N_a}} W(\mathbf{y}) \hat{f}(\mathbf{y}|\mathbf{X}_a, \hat{\beta}) d\mathbf{y} \\ &= \hat{g}(\hat{\beta}|\mathbf{X}_a)\end{aligned}\tag{35}$$

which is our estimate of μ_a at the “area” level. Here, $\hat{f}(\mathbf{y}|\mathbf{X}_a, \hat{\beta})$ is the density from which the simulated values $\tilde{\mathbf{y}}^r$ have been drawn.¹¹

6. Because g is a nonlinear function of β , there would be some bias associated with the evaluation of $g(\hat{\beta})$, *even if we knew the true conditional density*. (ELL03) suggests that “... using simulation to integrate over the model parameter estimates $[\hat{\beta}]$... yields an unbiased estimator.” That means that we should calculate the r^{th} imputed value of (log) expenditure for household i as:

$$\tilde{y}_i^r = \mathbf{x}_i \tilde{\beta}^r + (\tilde{\eta}_i^r + \hat{\sigma}_i \tilde{e}_i^{*,r})\tag{37}$$

Of course, in practice we have to use the asymptotic sampling distribution

$$\tilde{\beta} \sim N(\hat{\beta}, \widehat{\text{aVar}}(\hat{\beta}))\tag{38}$$

which we get from the first-stage regression (27). Denote by $\hat{f}^a(\cdot|\mathbf{X}_R)$ the density of the presumed asymptotic sampling distribution of $\hat{\beta}$; then what can actually be calculated is not $h(\hat{\beta}|\mathbf{X}_a, \mathbf{X}_R)$ as in (23), but

¹¹Conditional on \mathbf{X}_a , there is a one-to-one correspondence between densities for \mathbf{u} and densities for \mathbf{y} :

$$f(\mathbf{y}|\beta, \mathbf{X}_a) = f_{\mathbf{u}}(\mathbf{y} - \mathbf{X}_a\beta)\tag{36}$$

which we easily obtain from a change of variables $\mathbf{u} = \mathbf{y} - \mathbf{X}_a\beta$.

$$\begin{aligned}
\hat{\mu}_a &= \frac{1}{R} \sum_{r=1}^R W(\tilde{\mathbf{y}}^r) \\
&\approx \int_{\mathbb{R}^K} \hat{g}(\tilde{\beta}) \hat{f}^a(\tilde{\beta} | \mathbf{X}_R, \hat{\beta}) d\tilde{\beta} \\
&= \hat{h}(\hat{\beta} | \mathbf{X}_a, \mathbf{X}_R)
\end{aligned} \tag{39}$$

A.1.4 Estimate The Standard Errors

7. The standard error of $\hat{\mu}$, (ELL03) suggests, should be estimated by the standard deviation of the simulated $W(\tilde{\mathbf{y}}_a^r)$ over the R simulations:

$$\widehat{\text{se}}(\hat{\mu}_a) = \sqrt{\frac{1}{R} \sum_{r=1}^R (W(\tilde{\mathbf{y}}_a^r) - \hat{\mu}_a)^2} \tag{40}$$

If $\hat{\mu}_a$ is consistent for μ_a - remember, in this context, this means that $\hat{\mu}_a \xrightarrow{P} \mu_a$ as the population size, N_a , and as the survey sample size, s , grow without bound - then, according to (ELL03), (40) is a consistent estimate of

$$\sqrt{\text{Var}[W(\mathbf{y}_a) | \mathbf{X}_a, \beta_0] + \text{Var}[g(\hat{\beta}) | \mathbf{X}_a]} \tag{41}$$

where we have neglected the “computational error” associated with numerical integration, since this error can be made arbitrarily small by choosing R as large as necessary. The variances in (41) are with respect to the joint variability in the superpopulation (over alternate realisations of the population) and in the survey sample (for a given population).

A.2 Implementing ELL Requires Arbitrary Choices

There are several points at which the method outlined in (ELL03) allows for the individual researcher’s discretion. Specifically, anyone hoping to construct a poverty map by this method must choose

- (a) a first-stage estimation technique;
- (b) a distribution from which to draw the residuals $\tilde{\mathbf{u}}^r$;
- (c) as part of the decision in (b), the level (cluster, area, or some intermediate level of aggregation) at which to apply the simulated “cluster effect” $\tilde{\eta}_c$;
- (d) if GLS is chosen in the first-stage, and if the empirical distribution of the residuals is chosen in (b), whether to draw the standardized household residuals $\tilde{\mathbf{e}}^*$ from the clusters corresponding to the simulated cluster effects $\tilde{\eta}$ or from the full distribution of the (cluster-demeaned) residuals;
- (e) the number of simulations, R ;

(f) exactly which covariates \mathbf{x} to use in the first-stage “prediction model”.

Given the breadth of discretion one must exercise before calculating $\hat{\mu}_a$, it is easily possible for two different researchers to obtain different estimates, even if they use the same data, the same random-number generator with the same seed value, and the same number of repetitions R .

A.3 What Can Properly Be Considered An “ELL” Estimate?

Since my aim in this paper is to examine the sensitivity and consistency of the estimates produced by the ELL technique, I should ensure that my calculations are actually “ELL” estimates. Given the diversity of possible implementations allowed by the original paper (ELL03) I find it impossible to say definitively whether I have actually implemented the technique that has come to be called “ELL” or merely a similar, but distinct, technique. Instead, I have tried to ensure that my calculations conform to the standards of the existing literature.

I reviewed some of the papers in the poverty mapping literature and tabulated their authors’ choices with respect to the choice of first-stage estimation method, the distribution from which to draw \tilde{u} , the level at which to apply the “location effect”, and the criteria used in the specification of the first-stage model. The results are below, in Table 6.

In my reading of this literature, the primary requirement of the first-stage model appears to be that it should have “predictive power,” which has been interpreted by the authors of the method themselves and the World Bank poverty Mapping Team as “high first-stage R^2 ”. For example, we read in (LLED07):

OLS Regression results from the first-stage models are given in Appendix 2, Tables A1-A10. Across the ten pseudo-surveys used here, the R^2 ranges from 0.415-0.53 (see Table 1). The explanatory power of the models in this analysis is in the general range of models from past applications. The R^2 for models for particular strata ranged from 0.45 to 0.77 in Ecuador . . . The explanatory power achieved with the PROGRESA models is rather good given that the households in the PROGRESA communities are more homogenous than those within a stratum in a typical application.

In fact, some authors go so far as to explicitly dismiss concerns about the identification of β_0 , as in (ABD⁺02):

The explanatory power of the nine regressions ranged from an adjusted R^2 of 0.47 (Eastern Cape) to 0.72 (Free State), with the median adjusted R^2 equal to 0.64.

. . . Finally, note that from a methodological standpoint it does not matter whether these variables are exogenous.

or in (MB05)

Because our main interest is predicting the value of $\ln(y)$ rather than assessing the impact of each explanatory variable, we are not concerned about the possible endogeneity of some of the explanatory variables.

The implicit argument here seems to be that if the first-stage model “predicts” y well in-sample, as measured by the R^2 , then

- (a) it will predict y well out-of-sample too, and so
- (b) the simulated \tilde{y} will be about right, at least over many simulations, and thus
- (c) $\hat{\mu}_a = \hat{h}(\hat{\beta}|\mathbf{X}_a, \mathbf{X}_R)$ will be close to $\mu_a = g(\beta_0|\mathbf{X}_a)$.

I do not think that this argument really stands up to scrutiny. For one thing, area heterogeneity (i.e. intra-regional differences in β_0) will tend to undermine the step from (a) to (b), since the first-stage model may perform poorly in some areas but well on aggregate. Secondly, even supposing that (conditional) area homogeneity holds, if \mathbf{x} is endogenous, the first-stage model will not yield consistent estimates of β_0 , and then there is no guarantee that $\hat{\mu}_a$ is consistent for μ_a in any area a .

Most importantly, though, a high first-stage R^2 is no guarantee of the consistent estimation of β_0 . Unfortunately, as I argue in section 4.3, it is consistent estimation of β_0 , not the quality of the in-sample prediction, that matters for the accuracy of the second-stage estimates.

Although some papers assert that $\mathbb{E}[u_i|\mathbf{x}_i]$ holds over i - such as (ELL03; ELL08) - most do not. Yet, there is little or no attention devoted to building a case for the suitability of the first stage model of consumption (or income) in any of the papers in this literature, as can be seen in Table 6.

Paper	Country	OLS/GLS	$f(\tilde{u} \mathbf{X})$	Level of $\tilde{\eta}$	R	Specification Criteria
(ELL03; ELL02)	Ecuador	GLS	normal, $t(5)$, empirical	not stated	not stated	not stated; high R^2 lauded
(HLLP00)	Ecuador	OLS	normal ^a	-	∞	not stated; high R^2 lauded
(ABD ⁺ 02; ABL ⁺ 00)	South Africa	GLS	normal	cluster	100	not stated; high R^2 lauded
(LLED07)	Mexico	GLS	t , empirical	cluster	not stated	not stated; high R^2 lauded
(MB05)	Vietnam	OLS	normal	-	∞	not stated; high R^2 lauded
(GDA ⁺ 05)	Papua New Guinea	GLS	unclear ^b	unclear	100	unclear; some model selection ^c
(BFHH05)	Azerbaijan	GLS	unclear ^d	untested	100	informal ^e
(ELL08)	Brazil	GLS	unclear	cluster, area	not stated	not stated; high R^2 lauded
(BF05)	Tajikistan	GLS	unclear	untested	100	informal ^f
(SN02)	Mozambique	GLS	t	cluster	100	stepwise regression
(CDM07)	Albania	GLS	not stated	not stated	100	not stated
(Fuj03)	Cambodia	GLS	empirical	cluster	100	informal (“reasonable fit”)
(HJV03; JR07)	Thailand	GLS	normal, t , empirical	cluster	not stated	stepwise regression
(Lan04; Lit07)	Morocco	GLS	not stated	not stated	not stated	not stated
(VY07)	Sri Lanka	not stated	not stated	not stated	not stated	not stated
(NOMK03)	Kenya	GLS	not stated	not stated	not stated	stepwise regression
(EFL ⁺ 07)	Ecuador; Madagascar; Cambodia	GLS	normal, t	cluster	not stated	not stated

Table 6: Selected Poverty Mapping Papers and their (Authors’) Methodological Choices

^aThis paper effectively sets $R = \infty$, since for homoskedastic normal errors, there is an exact formula for (the conditional expectation of) the headcount.

^bEstimates of the distributions ... are obtained from the residuals ... and from an auxiliary equation that explains the heteroscedasticity in the household-specific part of the residual.”

^cTo quote the paper, “The particular specification of the model resulted from a detailed model discovery process, with many sensitivity checks ... Briefly, the modelling started just with household characteristics, restricting it to those for which there were also variables available in the Census. After removing irrelevant variables the model was augmented ...” I can only assume the authors mean “statistically insignificant at a conventional significance level” by “irrelevant,” which means that some variant of backward selection was used to arrive at a final specification.

^d“For each household we draw simulated disturbance terms ... from their corresponding distribution[s].”

^e“In some strata, where the selected variables on the strict test of comparability did not yield a reasonable high R -square, the criteria for selection of the regression variables were relaxed ... The final specification included only those variables that were significant at least at 90 per cent level and the quarterly dummy variables.”

^f“In some strata, where the selected variables did not yield a reasonable R -square, the criteria for selection of the regression variables were relaxed ... To improve the explanatory power of the consumption model [it] was decided to include both census mean variables and some selected environmental variables.”

B Further Results

B.1 Summary Statistics: First-Stage R^2 Values

I have argued above that the poverty mapping literature imposes no restrictions on the specification of the first-stage model other than it have a high R^2 statistic. To show that I really have obeyed the methodological prescriptions of the literature, I document the R^2 values I obtained across all my estimations. Table 7 summarises these values over the 459 estimations (9 provinces \times [50 random specifications +1 maximal model]) estimations from section 4.1.

Province	Mean	Std. Dev.	Min.	Max.
Western Cape	0.5578	0.036	0.4903	0.6175
Eastern Cape	0.5885	0.0271	0.5215	0.6289
Northern Cape	0.5926	0.0376	0.442	0.6429
Free State	0.6154	0.0254	0.5536	0.6518
KwaZulu-Natal	0.5334	0.024	0.469	0.5743
North West	0.5780	0.0179	0.5387	0.6319
Gauteng	0.5600	0.0213	0.5173	0.6031
Mpumalanga	0.5472	0.0203	0.499	0.5886
Limpopo	0.5221	0.0218	0.4626	0.5644

Table 7: Summary Statistics: R^2 Values Over Alternative Specifications

In section 4.2 I calculated 3600 (9 provinces \times 200 bootstrap replications \times 2 specifications) ELL estimates. In Table 8, I display the summary statistics over those first-stage regressions, broken down by province. The results are encouraging (at least, by the standards of the poverty-mapping literature): all provinces have mean R^2 -values over 0.5, and *no* first-stage model obtains an R^2 lower than 0.47.

Province	Specification 1				Specification 2			
	Mean	Std. Dev.	Min.	Max.	Mean	Std. Dev.	Min.	Max.
W Cape	0.5748	0.0105	0.5497	0.6038	0.5377	0.0119	0.4982	0.5712
E Cape	0.5808	0.0086	0.5591	0.6064	0.5801	0.0087	0.547	0.6044
N Cape	0.6212	0.0161	0.5820	0.6688	0.5958	0.017	0.5506	0.6417
Free State	0.6255	0.0102	0.5900	0.6625	0.624	0.0102	0.5940	0.6571
KwaZulu-Natal	0.5453	0.0097	0.5161	0.5710	0.5235	0.0099	0.4978	0.5546
North West	0.5713	0.0159	0.5315	0.6171	0.6102	0.0141	0.5752	0.6506
Gauteng	0.5765	0.0102	0.5416	0.6049	0.5308	0.0116	0.4963	0.5603
Mpumalanga	0.5598	0.0128	0.5263	0.5933	0.5167	0.0138	0.4708	0.5577
Limpopo	0.5112	0.0135	0.4759	0.545	0.5115	0.0128	0.4757	0.5505

Table 8: R^2 Over 200 Bootstrap Repetitions, by Province

B.2 Sensitivity: Area Headcount

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Murraysburg	0.369	0.325	0.186	0.485	0.298	0.087
Uniondale	0.327	0.319	0.218	0.498	0.279	0.079
Calitzdorp	0.286	0.286	0.215	0.406	0.191	0.053
Prince Albert	0.275	0.275	0.188	0.428	0.240	0.054
Robertson	0.261	0.262	0.189	0.376	0.187	0.056
Swellendam	0.244	0.226	0.154	0.327	0.174	0.055
Van Rhynsdorp	0.236	0.210	0.139	0.289	0.150	0.072
Laingsburg	0.215	0.230	0.157	0.368	0.211	0.069
Worcester	0.198	0.190	0.120	0.290	0.170	0.045
Vredendal	0.191	0.212	0.142	0.370	0.228	0.047
Knysna	0.184	0.168	0.116	0.245	0.130	0.036
Moorreesburg	0.181	0.187	0.125	0.257	0.132	0.048
Hopefield	0.177	0.142	0.082	0.196	0.114	0.035
Montagu	0.174	0.175	0.115	0.278	0.163	0.049
Clanwilliam	0.169	0.193	0.124	0.310	0.186	0.051
Tulbagh	0.166	0.167	0.108	0.302	0.194	0.043
Riversdal	0.165	0.174	0.113	0.300	0.187	0.044
Caledon	0.163	0.175	0.114	0.256	0.143	0.049
Beaufort West	0.151	0.171	0.094	0.324	0.230	0.042
Ceres	0.149	0.174	0.113	0.299	0.186	0.051
Heidelberg	0.146	0.188	0.117	0.352	0.235	0.038
Oudtshoorn	0.146	0.137	0.072	0.242	0.171	0.038
Ladismith	0.138	0.170	0.093	0.287	0.194	0.062
George	0.134	0.135	0.093	0.209	0.116	0.042
Mitchellsplain	0.126	0.143	0.095	0.223	0.128	0.045
Piketberg	0.124	0.146	0.089	0.254	0.165	0.053
Mossel bay	0.122	0.126	0.071	0.177	0.106	0.037
Stellenbosch	0.119	0.110	0.058	0.169	0.111	0.032
Bredasdorp	0.114	0.121	0.065	0.178	0.113	0.038
Hermanus	0.112	0.122	0.075	0.175	0.101	0.030
Wellington	0.094	0.099	0.064	0.153	0.089	0.035
Paarl	0.092	0.114	0.067	0.190	0.123	0.041
Malmesbury	0.088	0.101	0.060	0.146	0.086	0.024
Strand	0.086	0.091	0.045	0.135	0.090	0.034
Goodwood	0.075	0.066	0.032	0.107	0.075	0.021
Kuilsrivier	0.064	0.070	0.040	0.116	0.076	0.023
Vredenburg	0.063	0.082	0.042	0.137	0.094	0.025
Simonstown	0.053	0.063	0.039	0.098	0.059	0.023
Somerset West	0.052	0.055	0.022	0.083	0.061	0.022
Bellville	0.038	0.036	0.014	0.069	0.055	0.018
Cape	0.032	0.043	0.026	0.070	0.044	0.014
Wynberg	0.027	0.031	0.011	0.073	0.062	0.014

Table 9: Estimates Over 50 Random Specifications, W Cape

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Mqanduli	0.656	0.609	0.509	0.696	0.187	0.049
Elliotdale	0.638	0.647	0.557	0.726	0.168	0.054
Tabankulu	0.636	0.608	0.547	0.686	0.139	0.044
Flagstaff	0.634	0.617	0.535	0.700	0.164	0.061
Kentani	0.625	0.609	0.541	0.685	0.144	0.044
Umzimkulu	0.614	0.585	0.509	0.715	0.206	0.047
Cala	0.605	0.581	0.521	0.677	0.156	0.047
Lusikisiki	0.602	0.594	0.531	0.676	0.145	0.051
Ngqueleni	0.599	0.608	0.526	0.692	0.167	0.050
Engcobo	0.594	0.591	0.536	0.669	0.133	0.039
Qumbu	0.584	0.583	0.504	0.676	0.172	0.051
Middeldrift	0.578	0.571	0.499	0.675	0.176	0.064
Tsomo	0.575	0.597	0.488	0.710	0.222	0.047
Mt Fletcher	0.574	0.598	0.512	0.689	0.177	0.049
Cofimvaba	0.573	0.574	0.516	0.643	0.127	0.039
Bizana	0.571	0.577	0.464	0.677	0.213	0.059
Libode	0.570	0.586	0.522	0.681	0.159	0.056
Mt Ayliff	0.565	0.581	0.522	0.720	0.197	0.062
Mt Frere	0.565	0.564	0.494	0.665	0.171	0.065
Maluti	0.565	0.573	0.497	0.682	0.185	0.061
Idutywa	0.563	0.573	0.485	0.664	0.178	0.056
Nqamakwe	0.557	0.559	0.466	0.684	0.218	0.064
Willowvale	0.557	0.582	0.516	0.670	0.154	0.062
Tsolo	0.553	0.566	0.485	0.640	0.155	0.052
Pearston	0.550	0.517	0.359	0.611	0.252	0.051
Mpofu	0.546	0.524	0.397	0.686	0.290	0.114
Port St Johns	0.535	0.573	0.506	0.638	0.132	0.064
Lady Frere	0.503	0.508	0.444	0.558	0.114	0.037
Steytlerville	0.501	0.464	0.372	0.553	0.181	0.060
Umtata	0.489	0.477	0.430	0.538	0.108	0.036
Hofmeyer	0.484	0.490	0.384	0.584	0.200	0.067
Ntabathemba	0.475	0.452	0.376	0.575	0.199	0.050
Sterkspruit	0.471	0.509	0.424	0.594	0.171	0.053
Maclear	0.465	0.486	0.401	0.586	0.186	0.070
Bedford	0.458	0.461	0.365	0.577	0.212	0.050
Hankey	0.458	0.413	0.317	0.544	0.227	0.067
Wodehouse	0.457	0.454	0.380	0.528	0.148	0.057
Victoria East	0.457	0.439	0.380	0.534	0.154	0.056
Sterkstroom	0.455	0.451	0.353	0.533	0.180	0.050
Peddie	0.452	0.465	0.383	0.542	0.159	0.046
Keiskammahoek	0.443	0.451	0.335	0.601	0.265	0.088
Barkley-East	0.437	0.446	0.376	0.508	0.132	0.057
Steynsburg	0.434	0.442	0.362	0.546	0.185	0.061
Komga	0.434	0.499	0.366	0.632	0.266	0.078
Butterworth	0.427	0.426	0.348	0.515	0.167	0.059
Adelaide	0.427	0.411	0.310	0.510	0.200	0.063
Hewu	0.412	0.418	0.343	0.481	0.138	0.059

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Table 10 (continued from previous page)

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Jansenville	0.408	0.416	0.353	0.510	0.157	0.064
Lady Grey	0.403	0.450	0.391	0.533	0.142	0.029
Stutterheim	0.398	0.413	0.306	0.506	0.200	0.063
Willowmore	0.395	0.395	0.282	0.493	0.212	0.089
Zwelitsha	0.394	0.432	0.343	0.523	0.180	0.087
Alexandria	0.388	0.419	0.357	0.508	0.150	0.064
Somerset East	0.384	0.400	0.337	0.486	0.149	0.037
Bathurst	0.377	0.393	0.293	0.501	0.208	0.045
Kirkwood	0.373	0.398	0.326	0.502	0.176	0.065
Molteno	0.372	0.390	0.296	0.466	0.170	0.066
Tarka	0.365	0.409	0.305	0.503	0.198	0.050
Fort Beaufort	0.364	0.378	0.298	0.479	0.180	0.065
Cradock	0.358	0.362	0.298	0.417	0.120	0.047
Albert	0.353	0.365	0.316	0.419	0.103	0.034
Cathcart	0.337	0.347	0.270	0.428	0.157	0.050
Indwe	0.335	0.367	0.285	0.452	0.168	0.044
Elliot	0.327	0.349	0.284	0.424	0.140	0.056
Venterstad	0.326	0.336	0.272	0.411	0.139	0.056
Aberdeen	0.325	0.329	0.229	0.418	0.189	0.057
Aliwal North	0.315	0.319	0.253	0.401	0.148	0.046
East-London	0.294	0.310	0.248	0.385	0.137	0.037
Mdantsane	0.292	0.303	0.249	0.369	0.120	0.035
Joubertina	0.286	0.353	0.250	0.471	0.221	0.065
Humansdorp	0.279	0.277	0.184	0.380	0.196	0.051
Queenstown	0.241	0.244	0.189	0.318	0.129	0.042
Albany	0.238	0.272	0.207	0.390	0.183	0.040
Middelburg	0.237	0.245	0.201	0.320	0.118	0.046
Graaff-Reinet	0.229	0.242	0.174	0.330	0.156	0.043
Uitenhage	0.203	0.233	0.181	0.300	0.119	0.031
Port Elizabeth	0.166	0.189	0.138	0.275	0.137	0.030
King William's Town	0.113	0.143	0.105	0.217	0.112	0.030

Table 10: Estimates Over 50 Random Specifications, E Cape

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Noupoort	0.598	0.569	0.439	0.697	0.258	0.060
Warrenton	0.533	0.508	0.380	0.606	0.226	0.071
Hanover	0.516	0.467	0.259	0.647	0.388	0.082
Philipstown	0.472	0.431	0.299	0.522	0.223	0.062
Fraserburg	0.454	0.449	0.326	0.567	0.241	0.088
Richmond	0.444	0.467	0.395	0.537	0.142	0.058
Barkley-West	0.414	0.378	0.287	0.499	0.212	0.076
Prieska	0.400	0.380	0.294	0.462	0.168	0.053
Williston	0.376	0.358	0.275	0.472	0.197	0.054
Hartswater	0.369	0.403	0.323	0.528	0.204	0.043
Britstown	0.364	0.351	0.259	0.459	0.200	0.055

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Table 11 (continued from previous page)

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Calvinia	0.363	0.335	0.238	0.426	0.188	0.059
Hopetown	0.360	0.369	0.254	0.515	0.261	0.083
Herbert	0.359	0.351	0.257	0.444	0.187	0.063
Sutherland	0.337	0.357	0.255	0.537	0.282	0.075
Kenhardt	0.287	0.302	0.197	0.415	0.218	0.076
Kuruman	0.287	0.331	0.252	0.458	0.206	0.069
Victoria-West	0.287	0.293	0.154	0.462	0.308	0.087
Carnarvon	0.287	0.314	0.222	0.440	0.218	0.081
Postmasburg	0.283	0.309	0.222	0.442	0.220	0.068
Hay	0.272	0.309	0.218	0.450	0.231	0.071
De Aar	0.268	0.281	0.184	0.403	0.219	0.056
Colesberg	0.246	0.299	0.202	0.414	0.212	0.048
Gordonia	0.241	0.256	0.177	0.391	0.214	0.052
Kimberley	0.203	0.233	0.174	0.338	0.164	0.044
Namakwaland	0.077	0.114	0.040	0.225	0.185	0.054

Table 11: Estimates Over 50 Random Specifications, N Cape

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Koppies	0.622	0.604	0.500	0.691	0.192	0.053
Smithfield	0.568	0.550	0.458	0.604	0.147	0.040
Hoopstad	0.567	0.533	0.440	0.625	0.186	0.035
Vredefort	0.567	0.551	0.463	0.620	0.157	0.049
Boshof	0.565	0.552	0.473	0.634	0.161	0.048
Jacobsdal	0.564	0.533	0.467	0.607	0.140	0.055
Viljoenskroon	0.564	0.521	0.448	0.596	0.148	0.041
Ficksburg	0.545	0.578	0.456	0.715	0.258	0.090
Trompsburg	0.536	0.499	0.430	0.594	0.163	0.047
Dewetsdorp	0.524	0.504	0.417	0.609	0.192	0.042
Marquard	0.524	0.530	0.465	0.611	0.146	0.054
Clocolan	0.520	0.506	0.433	0.549	0.116	0.050
Wesselsbron	0.519	0.523	0.450	0.592	0.142	0.045
Reitz	0.519	0.526	0.464	0.608	0.144	0.051
Senekal	0.519	0.515	0.448	0.586	0.138	0.042
Heilbron	0.518	0.520	0.434	0.601	0.167	0.048
Frankfort	0.517	0.487	0.421	0.619	0.198	0.038
Bothaville	0.511	0.515	0.441	0.611	0.170	0.058
Fouriesburg	0.509	0.528	0.448	0.636	0.189	0.062
Bultfontein	0.499	0.493	0.427	0.571	0.144	0.042
Theunissen	0.499	0.485	0.418	0.575	0.158	0.038
Ventersburg	0.491	0.476	0.405	0.543	0.138	0.047
Brandfort	0.484	0.491	0.408	0.549	0.141	0.048
Petrusburg	0.482	0.489	0.424	0.569	0.145	0.054
Vrede	0.481	0.527	0.432	0.648	0.216	0.052
Excelsior	0.477	0.471	0.402	0.592	0.190	0.051
Harrismith	0.476	0.471	0.392	0.539	0.147	0.046

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Table 12 (continued from previous page)

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Philippolis	0.476	0.472	0.391	0.538	0.148	0.038
Wepener	0.471	0.471	0.412	0.568	0.156	0.041
Fauresmith	0.469	0.484	0.373	0.567	0.194	0.059
Lindley	0.467	0.476	0.382	0.550	0.168	0.037
Zastron	0.457	0.473	0.378	0.579	0.201	0.060
Witsieshoek	0.454	0.508	0.396	0.633	0.238	0.065
Winburg	0.444	0.441	0.393	0.537	0.144	0.041
Jagersfontein	0.441	0.457	0.339	0.528	0.190	0.051
Ladybrand	0.434	0.442	0.392	0.551	0.159	0.043
Edenburg	0.434	0.434	0.378	0.527	0.148	0.045
Rouxville	0.429	0.470	0.387	0.560	0.174	0.058
Reddersburg	0.425	0.418	0.340	0.501	0.161	0.062
Bethlehem	0.422	0.410	0.349	0.488	0.139	0.038
Koffiefontein	0.411	0.398	0.342	0.494	0.152	0.048
Parys	0.409	0.406	0.324	0.512	0.188	0.068
Botshabelo	0.408	0.386	0.287	0.476	0.189	0.078
Thaba 'Nchu	0.395	0.431	0.336	0.534	0.198	0.062
Hennenman	0.386	0.370	0.304	0.451	0.147	0.044
Kroonstad	0.362	0.353	0.300	0.418	0.118	0.048
Odendaalsrus	0.359	0.370	0.295	0.474	0.179	0.045
Bethulie	0.354	0.384	0.312	0.441	0.128	0.032
Virginia	0.305	0.295	0.193	0.369	0.176	0.063
Welkom	0.291	0.280	0.218	0.344	0.126	0.045
Sasolburg	0.288	0.302	0.241	0.374	0.133	0.035
Bloemfontein	0.247	0.242	0.185	0.300	0.115	0.028

Table 12: Estimates Over 50 Random Specifications, Free State

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Weenen	0.600	0.541	0.423	0.620	0.197	0.079
Ngotshe	0.571	0.509	0.335	0.673	0.338	0.093
Underberg	0.482	0.454	0.340	0.591	0.251	0.033
Utrecht	0.446	0.420	0.324	0.626	0.302	0.072
Paulpietersburg	0.411	0.379	0.221	0.569	0.349	0.131
Kranskop	0.406	0.381	0.255	0.538	0.283	0.065
Mount Currie	0.383	0.382	0.316	0.483	0.167	0.042
New Hanover	0.383	0.363	0.261	0.461	0.200	0.049
Msinga	0.364	0.364	0.299	0.450	0.151	0.036
Polela	0.363	0.306	0.222	0.373	0.151	0.062
Mthonjaneni	0.353	0.309	0.242	0.474	0.232	0.058
Ixopo	0.351	0.351	0.256	0.445	0.190	0.048
Alfred	0.346	0.323	0.243	0.396	0.153	0.044
Nkandla	0.338	0.317	0.235	0.419	0.184	0.047
Mooi river	0.321	0.323	0.217	0.465	0.249	0.081
Umvoti	0.319	0.327	0.269	0.380	0.111	0.038
Richmond	0.319	0.326	0.220	0.430	0.210	0.081

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Table 13 (continued from previous page)

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Babanango	0.305	0.299	0.221	0.410	0.189	0.052
Umzinto	0.301	0.292	0.237	0.371	0.134	0.036
Lower Tugela	0.293	0.282	0.215	0.343	0.128	0.043
Simdlangentsha	0.286	0.266	0.196	0.371	0.175	0.042
Nongoma	0.285	0.265	0.189	0.358	0.168	0.051
Vryheid	0.283	0.272	0.213	0.357	0.144	0.058
Nqutu	0.282	0.265	0.213	0.345	0.132	0.032
Mhlabathini	0.266	0.258	0.178	0.343	0.165	0.046
Mapumulo	0.263	0.257	0.214	0.324	0.110	0.041
Bergville	0.244	0.235	0.179	0.306	0.127	0.033
Estcourt	0.243	0.222	0.159	0.305	0.146	0.038
Ubombo	0.236	0.261	0.198	0.401	0.203	0.037
Eshowe	0.232	0.227	0.187	0.267	0.081	0.027
Kliprivier	0.231	0.246	0.202	0.315	0.113	0.038
Impendle	0.225	0.232	0.174	0.326	0.152	0.052
Dundee	0.218	0.227	0.176	0.286	0.110	0.038
Dannhauser	0.217	0.209	0.141	0.296	0.155	0.044
Hlabisa	0.208	0.231	0.182	0.319	0.137	0.042
Ndwedwe	0.198	0.197	0.144	0.280	0.136	0.042
Ingwavuma	0.192	0.234	0.169	0.328	0.159	0.043
Umbumbulu	0.187	0.188	0.134	0.275	0.141	0.050
Port Shepstone	0.181	0.182	0.136	0.240	0.104	0.032
Inanda	0.173	0.171	0.125	0.243	0.118	0.038
Mtunzini	0.167	0.176	0.130	0.243	0.114	0.026
Glencoe	0.165	0.184	0.122	0.270	0.148	0.040
Lions River	0.160	0.168	0.115	0.239	0.124	0.031
Lower Umfolozi	0.158	0.157	0.116	0.238	0.122	0.035
Newcastle	0.157	0.149	0.096	0.237	0.141	0.028
Umlazi	0.154	0.137	0.079	0.193	0.115	0.033
Camperdown	0.145	0.166	0.117	0.235	0.117	0.037
Pietermaritzburg	0.136	0.133	0.086	0.182	0.096	0.028
Pinetown	0.096	0.108	0.078	0.146	0.067	0.021
Durban	0.069	0.062	0.043	0.081	0.038	0.014
Chatsworth	0.061	0.068	0.042	0.098	0.057	0.019

Table 13: Estimates Over 50 Random Specifications, KwaZulu-Natal

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Bronkhorstspuit	0.320	0.305	0.221	0.376	0.155	0.045
Nigel	0.212	0.185	0.099	0.247	0.149	0.033
Cullinan	0.193	0.208	0.103	0.326	0.223	0.056
Oberholzer	0.186	0.176	0.085	0.253	0.168	0.052
Westonaria	0.173	0.160	0.074	0.217	0.143	0.058
Heidelberg	0.172	0.189	0.123	0.297	0.175	0.046
Vanderbijlpark	0.150	0.127	0.082	0.190	0.108	0.024

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Table 14 (continued from previous page)

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Randfontein	0.140	0.156	0.092	0.213	0.121	0.031
Vereeniging	0.133	0.126	0.079	0.186	0.107	0.029
Brakpan	0.131	0.126	0.076	0.175	0.099	0.026
Benoni	0.129	0.125	0.089	0.162	0.073	0.029
Randburg	0.119	0.107	0.079	0.138	0.058	0.016
Soshanguve	0.119	0.132	0.063	0.215	0.153	0.038
Alberton	0.113	0.104	0.074	0.157	0.083	0.022
Kempton Park	0.111	0.108	0.073	0.146	0.072	0.027
Krugersdorp	0.102	0.107	0.070	0.146	0.075	0.015
Boksburg	0.089	0.079	0.051	0.104	0.054	0.022
Springs	0.084	0.068	0.049	0.129	0.080	0.016
Wonderboom	0.081	0.083	0.063	0.117	0.054	0.015
Roodepoort	0.079	0.072	0.044	0.094	0.050	0.017
Johannesburg	0.060	0.055	0.029	0.080	0.051	0.008
Soweto	0.048	0.065	0.025	0.120	0.095	0.030
Germiston	0.047	0.051	0.022	0.083	0.061	0.012
Pretoria	0.047	0.035	0.022	0.046	0.024	0.008

Table 14: Estimates Over 50 Random Specifications, Gauteng

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Carolina	0.651	0.601	0.390	0.723	0.334	0.097
Eerstehoek	0.597	0.526	0.360	0.641	0.282	0.081
Bethal	0.580	0.514	0.340	0.658	0.318	0.103
Waterval Boven	0.507	0.478	0.345	0.543	0.198	0.062
Amersfoort	0.433	0.402	0.242	0.591	0.349	0.103
Ermelo	0.403	0.397	0.227	0.528	0.301	0.078
Balfour	0.347	0.305	0.190	0.412	0.222	0.072
Belfast	0.330	0.347	0.187	0.499	0.313	0.109
Standerton	0.323	0.339	0.232	0.437	0.205	0.078
Nkomazi	0.307	0.315	0.160	0.453	0.294	0.097
Moretele	0.299	0.273	0.148	0.415	0.266	0.083
Volksrust	0.294	0.293	0.224	0.367	0.143	0.048
Wakkerstroom	0.282	0.291	0.191	0.462	0.271	0.091
Lydenburg	0.281	0.306	0.213	0.473	0.260	0.062
Piet Retief	0.272	0.334	0.213	0.523	0.310	0.095
Pelgrimsrust	0.258	0.270	0.183	0.392	0.209	0.069
Nsikazi	0.252	0.231	0.147	0.298	0.152	0.043
Groblersdal	0.251	0.226	0.143	0.308	0.165	0.050
Barberton	0.235	0.269	0.157	0.394	0.236	0.081
Witbank	0.187	0.192	0.127	0.278	0.151	0.051
Middelburg	0.181	0.167	0.109	0.241	0.132	0.039
Hoäveldrif	0.171	0.205	0.123	0.297	0.174	0.041
Witrivier	0.159	0.168	0.107	0.253	0.146	0.060
Kwamhlanga	0.153	0.163	0.068	0.352	0.284	0.153
Delmas	0.153	0.189	0.105	0.294	0.190	0.057

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Table 15 (continued from previous page)

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Nelspruit	0.146	0.151	0.087	0.224	0.138	0.040
Kriel	0.117	0.085	0.007	0.228	0.221	0.087
Mbibana	0.111	0.101	0.025	0.247	0.223	0.065
Mdutjana	0.089	0.114	0.055	0.191	0.136	0.041
Mkobola	0.070	0.066	0.029	0.159	0.131	0.038
Moutse	0.039	0.083	0.025	0.252	0.227	0.065

Table 15: Estimates Over 50 Random Specifications, Mpumalanga

Magisterial District	HC (maximal)	Mean	Min	Max	Range	IQR
Letaba	0.641	0.596	0.450	0.741	0.292	0.073
Messina	0.567	0.470	0.363	0.600	0.237	0.085
Mhala	0.541	0.468	0.343	0.559	0.215	0.058
Bolobedu	0.455	0.385	0.260	0.514	0.254	0.113
Sekhukhuneland	0.442	0.402	0.265	0.495	0.230	0.058
Mapulaneng	0.433	0.415	0.262	0.524	0.262	0.086
Bochum	0.409	0.376	0.233	0.510	0.277	0.101
Mokerong	0.397	0.379	0.277	0.471	0.194	0.062
Seshego	0.359	0.335	0.228	0.409	0.181	0.064
Thabamooopo	0.334	0.300	0.179	0.415	0.237	0.060
Nebo	0.330	0.341	0.238	0.439	0.202	0.039
Sekgosese	0.321	0.351	0.215	0.541	0.327	0.084
Soutpansberg	0.316	0.315	0.205	0.426	0.221	0.072
Mutali	0.311	0.347	0.193	0.494	0.301	0.114
Dzanani	0.280	0.311	0.148	0.478	0.329	0.109
Phalaborwa	0.279	0.258	0.159	0.337	0.178	0.062
Warmbad	0.273	0.323	0.212	0.472	0.260	0.099
Ritavi	0.261	0.263	0.181	0.333	0.152	0.061
Thabazimbi	0.232	0.334	0.244	0.485	0.241	0.084
Vuwani	0.232	0.251	0.164	0.337	0.173	0.040
Malamulela	0.230	0.261	0.161	0.435	0.275	0.102
Hlanganani	0.221	0.231	0.134	0.359	0.225	0.080
Potgietersrus	0.214	0.308	0.201	0.482	0.281	0.104
Namakgale	0.205	0.213	0.127	0.338	0.211	0.062
Waterberg	0.190	0.262	0.109	0.520	0.410	0.113
Lulekani	0.189	0.234	0.131	0.333	0.202	0.073
Thohoyandou	0.180	0.198	0.115	0.284	0.169	0.055
Naphuno	0.175	0.207	0.126	0.338	0.212	0.063
Pietersburg	0.163	0.172	0.106	0.251	0.145	0.043
Giyani	0.136	0.172	0.070	0.347	0.277	0.083
Ellisras	0.089	0.152	0.079	0.287	0.208	0.068

Table 16: Estimates Over 50 Random Specifications, Limpopo

B.3 Sensitivity: Rankings

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Murraysburg	1	2.4	1	9	8	2
Uniondale	2	2.4	1	7	6	2
Calitzdorp	3	3.5	1	7	6	2
Prince Albert	4	4.8	1	17	16	2
Robertson	5	4.9	1	12	11	3
Swellendam	6	7.5	1	14	13	3
Van Rhynsdorp	7	10.2	4	19	15	6
Laingsburg	8	8.9	1	22	21	7
Worcester	9	12.9	5	22	17	7
Vredendal	10	9.6	3	21	18	4
Knysna	11	17.2	10	26	16	5
Moorreesburg	12	13.6	5	30	25	7
Hopefield	13	23.0	12	34	22	6
Montagu	14	15.8	7	25	18	7
Clanwilliam	15	12.1	4	20	16	4
Tulbagh	16	17.8	8	32	24	8
Riversdal	17	15.8	8	24	16	7
Caledon	18	15.8	8	23	15	7
Beaufort West	19	17.2	7	30	23	9
Ceres	20	16.4	6	28	22	7
Heidelberg	21	13.9	4	28	24	8
Oudtshoorn	22	24.6	14	32	18	6
Ladismith	23	17.6	5	29	24	12
George	24	24.5	18	30	12	4
Mitchellsplain	25	23.1	14	31	17	7
Piketberg	26	22.4	13	31	18	6
Mossel bay	27	26.6	18	33	15	5
Stellenbosch	28	30.0	22	36	14	3
Bredasdorp	29	27.6	18	34	16	5
Hermanus	30	27.4	20	34	14	5
Wellington	31	32.2	23	37	14	3
Paarl	32	29.5	22	34	12	3
Malmesbury	33	31.8	25	36	11	3
Strand	34	33.6	28	37	9	2
Goodwood	35	36.7	32	39	7	2
Kuilsrivier	36	36.3	32	40	8	1
Vredenburg	37	35.0	30	39	9	2
Simonstown	38	37.4	35	40	5	1
Somerset West	39	38.5	35	41	6	1
Bellville	40	41.1	40	42	2	1
Cape	41	40.1	39	41	2	0
Wynberg	42	41.6	35	42	7	1

Table 17: Within-Province Rankings Over 50 Random Specifications, W Cape

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Mqanduli	1	8.6	1	28	27	9
Elliotdale	2	3.0	1	16	15	2
Tabankulu	3	7.7	2	20	18	6
Flagstaff	4	6.4	1	19	18	5
Kentani	5	8.2	1	22	21	8
Umsinkulu	6	14.1	1	29	28	10
Cala	7	15.1	1	30	29	10
Lusikisiki	8	11.6	1	24	23	9
Ngqueleni	9	8.6	1	24	23	10
Engcobo	10	12.5	2	26	24	11
Qumbu	11	14.3	3	28	25	11
Middeldrift	12	17.5	2	29	27	12
Tsomo	13	11.0	1	32	31	11
Mt Fletcher	14	10.7	1	26	25	9
Cofimvaba	15	17.2	3	28	25	10
Bizana	16	15.9	2	35	33	11
Libode	17	13.8	3	24	21	10
Mt Ayliff	18	15.7	1	26	25	9
Mt Frere	19	20.1	6	30	24	8
Maluti	20	17.7	3	32	29	9
Idutywa	21	17.6	4	31	27	10
Nqamakwe	22	20.7	4	37	33	10
Willowvale	23	15.2	2	26	24	9
Tsolo	24	18.9	5	29	24	9
Pearston	25	28.0	11	58	47	6
Mpofu	26	25.9	1	54	53	18
Port St Johns	27	17.6	5	29	24	9
Lady Frere	28	29.7	18	48	30	6
Steytlerville	29	37.6	27	53	26	10
Umtata	30	34.6	29	42	13	5
Hofmeyer	31	32.4	18	51	33	7
Ntabathemba	32	41.1	12	57	45	16
Sterkspruit	33	29.4	9	42	33	5
Maclear	34	32.9	8	56	48	8
Bedford	35	38.0	27	57	30	11
Hankey	36	49.5	30	66	36	12
Wodehouse	37	40.0	27	56	29	13
Victoria East	38	43.8	28	57	29	12
Sterkstroom	39	40.6	20	59	39	13
Peddie	40	37.9	27	58	31	8
Keiskammahoek	41	42.0	22	65	43	20
Barkley-East	42	41.3	30	58	28	7
Steynsburg	43	43.4	26	61	35	17
Komga	44	31.0	13	56	43	10
Butterworth	45	47.1	32	62	30	8
Adelaide	46	49.6	34	64	30	10
Hewu	47	48.8	31	63	32	11

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Table 18 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Jansenville	48	48.7	34	67	33	11
Lady Grey	49	41.0	32	54	22	9
Stutterheim	50	49.4	35	68	33	15
Willowmore	51	53.2	37	69	32	12
Zwelitsha	52	45.1	30	61	31	12
Alexandria	53	47.4	34	60	26	12
Somerset East	54	52.4	40	64	24	9
Bathurst	55	53.8	35	73	38	11
Kirkwood	56	53.0	38	65	27	10
Molteno	57	54.0	36	70	34	10
Tarka	58	50.1	37	70	33	9
Fort Beaufort	59	57.2	36	72	36	8
Cradock	60	60.2	45	70	25	5
Albert	61	59.8	46	70	24	6
Cathcart	62	62.5	41	71	30	5
Indwe	63	59.2	46	69	23	7
Elliot	64	62.3	49	70	21	5
Venterstad	65	64.4	52	72	20	6
Aberdeen	66	64.8	44	73	29	6
Aliwal North	67	66.8	54	73	19	4
East-London	68	68.0	62	72	10	3
Mdantsane	69	68.8	62	75	13	3
Joubertina	70	61.2	46	72	26	8
Humansdorp	71	71.1	63	76	13	3
Queenstown	72	74.0	71	77	6	2
Albany	73	71.4	66	76	10	3
Middelburg	74	73.7	68	76	8	2
Graaff-Reinet	75	73.8	70	77	7	3
Uitenhage	76	74.7	72	76	4	2
Port Elizabeth	77	76.9	75	78	3	0
King William's Town	78	78.0	77	78	1	0

Table 18: Within-Province Rankings Over 50 Random Specifications, E Cape

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Noupoort	1	1.4	1	4	3	1
Warrenton	2	2.9	1	9	8	2
Hanover	3	5.2	1	23	22	3
Philipstown	4	6.9	2	20	18	4
Fraserburg	5	5.6	2	15	13	4
Richmond	6	4.2	2	7	5	2
Barkley-West	7	10.9	4	24	20	6
Prieska	8	10.7	4	20	16	5
Williston	9	12.8	6	21	15	5
Hartswater	10	8.2	3	14	11	3

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Table 19 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Britstown	11	13.3	5	23	18	6
Calvinia	12	15.0	6	24	18	6
Hopetown	13	12.3	2	23	21	7
Herbert	14	13.1	5	25	20	4
Sutherland	15	12.8	2	24	22	5
Kenhardt	16	18.2	7	25	18	9
Kuruman	17	15.4	7	22	15	7
Victoria-West	18	18.9	4	26	22	8
Carnarvon	19	17.3	3	24	21	7
Postmasburg	20	17.2	9	24	15	6
Hay	21	17.5	5	24	19	5
De Aar	22	20.4	14	25	11	5
Colesberg	23	18.6	10	24	14	5
Gordonia	24	22.4	16	26	10	3
Kimberley	25	23.9	16	25	9	2
Namakwaland	26	26.0	25	26	1	0

Table 19: Within-Province Rankings Over 50 Random Specifications, N Cape

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Koppies	1	1.9	1	6	5	1
Smithfield	2	7.5	2	25	23	7
Hoopstad	3	11.1	1	30	29	8
Vredefort	4	7.3	1	29	28	5
Boshof	5	7.1	2	18	16	5
Jacobsdal	6	11.8	1	29	28	12
Viljoenskroon	7	14.0	3	35	32	10
Ficksburg	8	6.7	1	33	32	10
Trompsburg	9	20.4	5	36	31	14
Dewetsdorp	10	18.8	2	38	36	13
Marquard	11	11.7	2	33	31	9
Clocolan	12	18.3	5	33	28	12
Wesselsbron	13	13.7	2	32	30	8
Reitz	14	13.0	3	30	27	9
Senekal	15	15.6	3	31	28	10
Heilbron	16	14.4	4	34	30	9
Frankfort	17	23.9	4	35	31	11
Bothaville	18	16.3	4	36	32	15
Fouriesburg	19	13.0	1	28	27	12
Bultfontein	20	22.1	9	35	26	9
Theunissen	21	24.6	9	36	27	9
Ventersburg	22	26.5	8	43	35	11
Brandfort	23	22.1	6	37	31	12
Petrusburg	24	23.2	6	38	32	13
Vrede	25	12.9	1	35	34	9

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Table 20 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Excelsior	26	28.8	8	42	34	10
Harrismith	27	28.7	8	40	32	11
Philippolis	28	28.1	12	40	28	12
Wepener	29	28.2	10	41	31	9
Fauresmith	30	23.8	5	44	39	16
Lindley	31	27.1	13	42	29	9
Zastron	32	27.7	6	43	37	14
Witsieshoek	33	18.3	1	38	37	21
Winburg	34	35.2	19	44	25	9
Jagersfontein	35	31.0	12	46	34	13
Ladybrand	36	35.2	13	43	30	8
Edenburg	37	36.6	19	46	27	6
Rouxville	38	27.7	7	40	33	17
Reddersburg	39	38.9	27	48	21	8
Bethlehem	40	40.5	26	46	20	6
Koffiefontein	41	41.6	20	48	28	5
Parys	42	40.8	33	48	15	6
Botshabelo	43	43.2	29	50	21	6
Thaba 'Nchu	44	36.3	6	48	42	8
Hennenman	45	45.2	40	49	9	3
Kroonstad	46	46.6	36	49	13	3
Odendaalsrus	47	45.0	38	48	10	4
Bethulie	48	43.7	39	50	11	4
Virginia	49	49.7	46	52	6	2
Welkom	50	50.6	48	52	4	1
Sasolburg	51	49.5	46	52	6	1
Bloemfontein	52	51.8	50	52	2	0

Table 20: Within-Province Rankings Over 50 Random Specifications, Free State

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Weenen	1	1.5	1	5	4	1
Ngotshe	2	2.1	1	11	10	0
Underberg	3	3.4	1	6	5	1
Utrecht	4	5.5	2	14	12	4
Paulpietersburg	5	9.5	2	30	28	10
Kranskop	6	8.2	1	25	24	6
Mount Currie	7	7.1	2	16	14	3
New Hanover	8	9.2	4	21	17	3
Msinga	9	8.7	2	18	16	3
Polela	10	16.6	8	31	23	9
Mthonjaneni	11	15.7	6	25	19	8
Ixopo	12	10.3	4	22	18	4
Alfred	13	14.6	7	28	21	8
Nkandla	14	14.8	6	38	32	6

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Table 21 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Mooi river	15	14.7	3	35	32	9
Umvoti	16	13.1	7	27	20	3
Richmond	17	13.9	4	32	28	10
Babanango	18	17.4	8	25	17	5
Umzinto	19	18.9	11	29	18	6
Lower Tugela	20	20.5	12	34	22	10
Simdlangentsha	21	23.2	8	35	27	5
Nongoma	22	23.6	11	33	22	8
Vryheid	23	22.4	13	35	22	9
Nqutu	24	23.5	15	34	19	6
Mhlabathini	25	25.4	11	38	27	8
Mapumulo	26	25.2	10	34	24	7
Bergville	27	30.2	17	41	24	7
Estcourt	28	32.7	18	42	24	5
Ubombo	29	24.4	11	37	26	10
Eshowe	30	31.8	23	39	16	4
Kliprivier	31	27.5	18	37	19	8
Impendle	32	30.3	16	41	25	8
Dundee	33	31.6	24	39	15	8
Dannhauser	34	34.9	19	46	27	5
Hlabisa	35	30.7	20	42	22	8
Ndwedwe	36	37.4	27	45	18	4
Ingwavuma	37	30.1	12	41	29	8
Umbumbulu	38	38.6	27	46	19	5
Port Shepstone	39	39.9	33	46	13	6
Inanda	40	41.6	34	48	14	4
Mtunzini	41	40.9	35	47	12	4
Glencoe	42	39.1	30	48	18	6
Lions River	43	41.9	27	48	21	5
Lower Umfolozi	44	44.2	38	48	10	4
Newcastle	45	44.9	36	49	13	4
Umlazi	46	45.9	36	49	13	3
Camperdown	47	42.1	28	48	20	5
Pietermaritzburg	48	46.6	42	50	8	3
Pinetown	49	48.6	46	49	3	1
Durban	50	50.6	50	51	1	1
Chatsworth	51	50.3	49	51	2	1

Table 21: Within-Province Rankings Over 50 Random Specifications, KwaZulu-Natal

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Bronkhorstspuit	1	1.0	1	1	0	0
Nigel	2	4.2	2	7	5	2
Cullinan	3	3.1	2	7	5	2
Oberholzer	4	5.0	2	15	13	3

Continued on next page...

Table 22 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Westonaria	5	7.0	3	16	13	3
Heidelberg	6	4.2	2	15	13	2
Vanderbijlpark	7	10.2	5	16	11	5
Randfontein	8	6.7	4	11	7	1
Vereeniging	9	10.4	5	15	10	4
Brakpan	10	10.4	4	17	13	3
Benoni	11	10.5	4	15	11	4
Randburg	12	13.5	8	18	10	3
Soshanguve	13	9.7	4	18	14	4
Alberton	14	14.0	6	18	12	3
Kempton Park	15	13.6	8	19	11	3
Krugersdorp	16	13.7	9	17	8	3
Boksburg	17	18.2	16	22	6	2
Springs	18	20.0	13	22	9	2
Wonderboom	19	17.7	13	21	8	2
Roodepoort	20	19.4	16	22	6	1
Johannesburg	21	21.7	18	24	6	1
Soweto	22	19.9	7	24	17	5
Germiston	23	22.2	18	24	6	1
Pretoria	24	23.8	22	24	2	0

Table 22: Within-Province Rankings Over 50 Random Specifications, Gauteng

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Carolina	1	1.3	1	6	5	0
Eerstehoeck	2	3.0	1	7	6	1
Bethal	3	3.4	1	7	6	2
Waterval Boven	4	4.0	1	7	6	0
Amersfoort	5	6.6	1	17	16	4
Ermelo	6	7.0	3	19	16	2
Balfour	7	11.8	7	20	13	5
Belfast	8	9.3	2	20	18	6
Standerton	9	9.9	5	19	14	5
Nkomazi	10	11.9	3	27	24	9
Moretele	11	14.9	6	25	19	8
Volkstrust	12	12.6	7	20	13	3
Wakkerstroom	13	12.8	5	19	14	6
Lydenburg	14	11.8	2	20	18	5
Piet Retief	15	10.5	4	20	16	5
Pelgrimsrust	16	14.6	6	22	16	7
Nsikazi	17	17.9	11	26	15	4
Groblersdal	18	18.2	10	24	14	6
Barberton	19	14.6	7	22	15	7
Witbank	20	21.5	16	27	11	3
Middelburg	21	23.7	19	28	9	4

Continued on next page...

Table 23 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Hoäveldrif	22	20.3	11	25	14	4
Witrivier	23	23.4	16	29	13	4
Kwamhlanga	24	22.9	10	29	19	10
Delmas	25	21.8	14	29	15	3
Nelspruit	26	24.8	20	29	9	2
Kriel	27	28.1	19	31	12	5
Mbibana	28	27.7	18	31	13	3
Mdutjana	29	27.3	22	30	8	3
Mkobola	30	29.9	28	31	3	0
Moutse	31	28.8	18	31	13	3

Table 23: Within-Province Rankings Over 50 Random Specifications, Mpumalanga

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Letaba	1	1.2	1	6	5	0
Messina	2	4.0	2	9	7	3
Mhala	3	3.8	1	13	12	2
Bolobedu	4	8.9	2	19	17	9
Sekhukhuneland	5	7.5	2	16	14	4
Mapulaneng	6	6.6	2	17	15	4
Bochum	7	9.9	2	22	20	8
Mokerong	8	9.2	4	20	16	4
Seshego	9	12.8	7	24	17	6
Thabamooopo	10	16.5	6	30	24	8
Nebo	11	12.2	2	24	22	4
Sekgosese	12	11.8	1	26	25	8
Soutpansberg	13	14.1	5	26	21	6
Mutali	14	12.1	2	25	23	11
Dzanani	15	15.4	3	31	28	11
Phalaborwa	16	20.4	12	31	19	7
Warmbad	17	14.0	2	26	24	9
Ritavi	18	20.0	14	31	17	7
Thabazimbi	19	13.1	2	22	20	8
Vuwani	20	21.1	10	29	19	4
Malamulela	21	19.7	3	28	25	6
Hlanganani	22	22.8	9	31	22	7
Potgietersrus	23	15.2	2	25	23	10
Namakgale	24	24.3	10	30	20	6
Waterberg	25	20.4	2	30	28	11
Lulekani	26	22.8	11	30	19	7
Thohoyandou	27	26.3	19	31	12	5
Naphuno	28	25.2	15	31	16	6
Pietersburg	29	28.1	25	31	6	2
Giyani	30	27.6	9	31	22	5

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Table 24 (continued from previous page)

Magisterial District	Rank (maximal)	Mean	Min	Max	Range	IQR
Ellisras	31	28.9	12	31	19	2

Table 24: Within-Province Rankings Over 50 Random Specifications, Limpopo

C Data Construction

The same datasets that I use in this paper were used in previous poverty mapping studies of South Africa - see (ABD⁺02; ABL⁺00) - and I tried to construct the variables in the same way as did those studies. Of course, I may not have succeeded entirely in recreating the datasets they used, but the first-stage regression results I obtain when I use the same specifications as them (not displayed; available on request) are practically identical, so I am confident that differences in data cleaning and construction are not responsible for the divergence in small-area estimates documented above.

C.1 Household-level Covariates

Variable	Definition or Comments
logHHsize	log(number of members of household).
aHH	Dummy: all household members African
wHH	Dummy: all household members white
fDw	Dummy: dwelling is house, apartment, retirement village; includes rooms in shared property (e.g. hostels)
rpP	total number of rooms/household size
sFac	Dummy: flush or chemical toilet, or pit latrine <i>with</i> ventilation (excludes non-ventilated pit latrines) on the same site as dwelling
elecL	Dummy: dwelling has electric lighting
rCol	Dummy: local authority removes refuse
hTel	Dummy: dwelling has fixed-line telephone in working order
nPrEd	Number of household members with complete primary education
nProf	Number of household members employed as professionals (ISCO 1-digit codes 2-3)
nSk	Number of household members employed as skilled workers (ISCO 1-digit codes 6-8)
fhHH	Dummy: household head is female
farm	Dummy: enumeration area is classified as “farm”
urban	Dummy: enumeration area is classified as “urban”
tribal	Dummy: enumeration area is classified as “tribal” (indicates former tribal authority)

Statistics South Africa defines a person to be a household member if she sleeps in the dwelling for four or more days per week and regularly shares meals with the other members.

C.2 District-level Covariates

Other than the census means for all of the household-level covariates described above, I computed the mean (over each magisterial district) of the following variables:

Variable	Definition or Comments
waterServices	Dummy: household has piped water inside dwelling or on site
propertyOwnedByHH	Dummy: household owns dwelling

D Descriptive Statistics

Below, I report some basic descriptive statistics for each of the nine provinces, broken down by the data source (IES/OHS or Census Data). Descriptive statistics by province for the dependent variable, the logarithm of total monthly household consumption, appear in section D.1. Next, I report the statistics for the household-level controls in section D.2, while the descriptive statistics for the area-level controls are tabulated in section D.3. All statistics are individual-level estimates, i.e. having been weighted by household size and sampling weights (in the case of the IES) or post-stratification weights (in the case of the census).

D.1 Consumption Data

Province	Mean	(Std. Dev.)	Min.	Max.	N
W Cape	7.7952	(0.9362)	4.3737	11.9343	3 860 967
E Cape	6.9501	(0.9846)	3.8833	12.0237	6 059 647
N Cape	7.1605	(1.0041)	4.0999	11.1425	811 126
Free State	6.9565	(1.0359)	3.8677	11.1075	2 448 094
KwaZulu-Natal	7.5049	(0.9295)	4.6883	12.6373	7 786 987
North West	7.1572	(1.0335)	4.6883	12.932	2 014 530
Gauteng	8.1135	(0.9600)	4.8122	12.0034	6 562 701
Mpumalanga	7.3076	(0.9082)	4.7362	11.0076	2 645 663
Limpopo	7.1985	(1.0646)	4.2195	11.9525	4 773 999

Table 25: Summary Statistics - Log Monthly Total Expenditure, by Province (IES Data)

D.2 Household-Level Covariates

Table 26: Summary Statistics - HH Controls, W Cape (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.499	(0.549)	0	3.434
africanHH	0.2074	(0.4054)	0	1
whiteHH	0.1924	(0.3942)	0	1
formalDwelling	0.8024	(0.3982)	0	1
roomsPerPerson	1.0842	(0.8985)	0	65
sanitationFacilities	0.8689	(0.3375)	0	1
electricLighting	0.8711	(0.3351)	0	1
refuseCollection	0.8579	(0.3491)	0	1
hasTelephone	0.5318	(0.499)	0	1

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... table 26 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
numPrimaryEd	3.5084	(2.021)	0	24
numProfessional	0.2258	(0.5219)	0	5
numSkilled	0.3917	(0.6726)	0	14
femaleHeadedHH	0.2562	(0.4365)	0	1
(mean) farm	0.1015	(0.302)	0	1
(mean) urban	0.8912	(0.3114)	0	1
N	3803234			

Table 27: Summary Statistics - HH Controls, W Cape (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.5108	(0.5273)	0	3.2958
africanHH	0.1918	(0.3937)	0	1
whiteHH	0.2123	(0.4089)	0	1
formalDwelling	0.8656	(0.3411)	0	1
roomsPerPerson	1.1112	(0.9380)	0.1111	11
sanitationFacilities	0.1716	(0.377)	0	1
electricLighting	0.8921	(0.3103)	0	1
refuseCollection	0.8485	(0.3586)	0	1
hasTelephone	0.4719	(0.4992)	0	1
numPrimaryEd	2.6687	(1.7495)	0	11
numProfessional	0.1487	(0.4172)	0	3
numSkilled	0.4256	(0.7196)	0	5
femaleHeadedHH	0.2263	(0.4184)	0	1
(mean) farm	0.1431	(0.3501)	0	1
(mean) urban	0.8390	(0.3675)	0	1
N	3860967			

Table 28: Summary Statistics: HH Controls, E Cape (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.6758	(0.5634)	0	3.3673
africanHH	0.8673	(0.3393)	0	1
whiteHH	0.0486	(0.2149)	0	1
formalDwelling	0.4184	(0.4933)	0	1
roomsPerPerson	0.7678	(0.7314)	0	23
sanitationFacilities	0.2692	(0.4435)	0	1
electricLighting	0.2919	(0.4547)	0	1
refuseCollection	0.3195	(0.4663)	0	1
hasTelephone	0.1363	(0.3431)	0	1

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... table 28 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
numPrimaryEd	3.2585	(2.2136)	0	24
numProfessional	0.1068	(0.3792)	0	8
numSkilled	0.1436	(0.4337)	0	7
femaleHeadedHH	0.5027	(0.5)	0	1
(mean) farm	0.0351	(0.1841)	0	1
(mean) urban	0.3593	(0.4798)	0	1
(mean) tribal	0.5892	(0.4920)	0	1
N	6167770			

Table 29: Summary Statistics: HH Controls, E Cape (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.7037	(0.5049)	0	3.0445
africanHH	0.8649	(0.3418)	0	1
whiteHH	0.0485	(0.2148)	0	1
formalDwelling	0.5259	(0.4993)	0	1
roomsPerPerson	0.8581	(0.7869)	0.0833	13
sanitationFacilities	0.1748	(0.3798)	0	1
electricLighting	0.3184	(0.4658)	0	1
refuseCollection	0.3374	(0.4728)	0	1
hasTelephone	0.127	(0.3329)	0	1
numPrimaryEd	2.523	(1.8507)	0	10
numProfessional	0.1218	(0.391)	0	4
numSkilled	0.1293	(0.3762)	0	4
femaleHeadedHH	0.4487	(0.4974)	0	1
(mean) farm	0.0882	(0.2836)	0	1
(mean) urban	0.353	(0.4779)	0	1
(mean) tribal	0.4616	(0.4985)	0	1
N	6059647			

Table 30: Summary Statistics - HH Controls, N Cape 1

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.5935	(0.5698)	0	3.7377
africanHH	0.3142	(0.4642)	0	1
whiteHH	0.1202	(0.3252)	0	1
formalDwelling	0.7823	(0.4127)	0	1
roomsPerPerson	0.9054	(0.8580)	0	14
sanitationFacilities	0.5890	(0.4920)	0	1
electricLighting	0.7297	(0.4441)	0	1
refuseCollection	0.7315	(0.4432)	0	1

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... table 30 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
hasTelephone	0.2833	(0.4506)	0	1
numPrimaryEd	3.162	(2.1628)	0	13
numProfessional	0.1239	(0.3881)	0	4
numSkilled	0.3087	(0.6457)	0	10
femaleHeadedHH	0.2978	(0.4573)	0	1
(mean) farm	0.2389	(0.4264)	0	1
(mean) urban	0.7049	(0.4561)	0	1
N	802263			

Table 31: Summary Statistics - HH Controls, N Cape (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.5028	(0.5666)	0	2.6391
africanHH	0.3094	(0.4622)	0	1
whiteHH	0.1344	(0.3411)	0	1
formalDwelling	0.8426	(0.3642)	0	1
roomsPerPerson	0.9641	(0.8947)	0.1429	11
sanitationFacilities	0.2344	(0.4236)	0	1
electricLighting	0.7688	(0.4216)	0	1
refuseCollection	0.7361	(0.4407)	0	1
hasTelephone	0.2544	(0.4355)	0	1
numPrimaryEd	1.9612	(1.6547)	0	9
numProfessional	0.0718	(0.2877)	0	2
numSkilled	0.2364	(0.531)	0	4
femaleHeadedHH	0.2572	(0.4371)	0	1
(mean) farm	0.2551	(0.4359)	0	1
(mean) urban	0.7000	(0.4583)	0	1
N	811126			

Table 32: Summary Statistics - HH Controls, Free State (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.5224	(0.5524)	0	3.1355
africanHH	0.8410	(0.3656)	0	1
whiteHH	0.1129	(0.3164)	0	1
formalDwelling	0.5826	(0.4931)	0	1
roomsPerPerson	0.9340	(0.8438)	0	20.75
sanitationFacilities	0.4087	(0.4916)	0	1
electricLighting	0.5671	(0.4955)	0	1
refuseCollection	0.6341	(0.4817)	0	1

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... table 32 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
hasTelephone	0.2057	(0.4042)	0	1
numPrimaryEd	3.0211	(1.8649)	0	15
numProfessional	0.1153	(0.3781)	0	7
numSkilled	0.3028	(0.5476)	0	10
femaleHeadedHH	0.3364	(0.4725)	0	1
(mean) farm	0.166	(0.3721)	0	1
(mean) urban	0.7094	(0.4541)	0	1
N	2473262			

Table 33: Summary Statistics - HH Controls, Free State (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.4835	(0.5276)	0	2.7081
africanHH	0.8480	(0.359)	0	1
whiteHH	0.1127	(0.3162)	0	1
formalDwelling	0.727	(0.4455)	0	1
roomsPerPerson	1.0643	(0.904)	0.1111	11
sanitationFacilities	0.2027	(0.402)	0	1
electricLighting	0.6830	(0.4653)	0	1
refuseCollection	0.6088	(0.488)	0	1
hasTelephone	0.2075	(0.4055)	0	1
numPrimaryEd	2.1238	(1.7011)	0	10
numProfessional	0.1244	(0.4067)	0	3
numSkilled	0.2042	(0.4486)	0	3
femaleHeadedHH	0.2627	(0.4401)	0	1
(mean) farm	0.331	(0.4706)	0	1
(mean) urban	0.6245	(0.4843)	0	1
N	2448094			

Table 34: Summary Statistics - HH Controls, KZN (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.7444	(0.5995)	0	3.912
africanHH	0.8147	(0.3885)	0	1
whiteHH	0.061	(0.2393)	0	1
formalDwelling	0.4647	(0.4988)	0	1
roomsPerPerson	0.8505	(0.7242)	0	43
sanitationFacilities	0.3374	(0.4728)	0	1
electricLighting	0.4852	(0.4998)	0	1
refuseCollection	0.3538	(0.4782)	0	1
hasTelephone	0.2218	(0.4155)	0	1

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... table 34 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
numPrimaryEd	3.6594	(2.5185)	0	28
numProfessional	0.1371	(0.4292)	0	15
numSkilled	0.2383	(0.603)	0	32
femaleHeadedHH	0.4065	(0.4912)	0	1
(mean) farm	0.0544	(0.2268)	0	1
(mean) urban	0.4266	(0.4946)	0	1
(mean) tribal	0.4832	(0.4997)	0	1
N	8097994			

Table 35: Summary Statistics - HH Controls, KZN (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.7758	(0.5128)	0	3.434
africanHH	0.8196	(0.3845)	0	1
whiteHH	0.0606	(0.2386)	0	1
formalDwelling	0.5396	(0.4984)	0	1
roomsPerPerson	0.9253	(0.7196)	0.0769	14
sanitationFacilities	0.1766	(0.3813)	0	1
electricLighting	0.5185	(0.4997)	0	1
refuseCollection	0.3996	(0.4898)	0	1
hasTelephone	0.2201	(0.4143)	0	1
numPrimaryEd	2.9497	(2.0222)	0	12
numProfessional	0.1609	(0.4638)	0	4
numSkilled	0.3138	(0.5648)	0	4
femaleHeadedHH	0.3444	(0.4752)	0	1
(mean) farm	0.1076	(0.3099)	0	1
(mean) urban	0.4184	(0.4933)	0	1
(mean) tribal	0.4384	(0.4962)	0	1
N	7786987			

Table 36: Summary Statistics - HH Controls, North West (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.6526	(0.5883)	0	3.5264
africanHH	0.9128	(0.2821)	0	1
whiteHH	0.0616	(0.2405)	0	1
formalDwelling	0.6769	(0.4677)	0	1
roomsPerPerson	0.8963	(0.7695)	0	28
sanitationFacilities	0.2733	(0.4456)	0	1
electricLighting	0.4237	(0.4941)	0	1

Continued on next page...

... table 36 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
refuseCollection	0.3252	(0.4684)	0	1
hasTelephone	0.1464	(0.3535)	0	1
numPrimaryEd	3.3128	(2.1729)	0	15
numProfessional	0.1124	(0.3682)	0	5
numSkilled	0.3031	(0.5689)	0	8
femaleHeadedHH	0.3962	(0.4891)	0	1
(mean) farm	0.0913	(0.2881)	0	1
(mean) urban	0.3514	(0.4774)	0	1
(mean) tribal	0.4639	(0.4987)	0	1
N	3216039			

Table 37: Summary Statistics - HH Controls, North West (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.5784	(0.5848)	0	3.1355
africanHH	0.8554	(0.3517)	0	1
whiteHH	0.1058	(0.3075)	0	1
formalDwelling	0.7972	(0.4021)	0	1
roomsPerPerson	0.9756	(0.7848)	0.125	12
sanitationFacilities	0.1753	(0.3802)	0	1
electricLighting	0.5349	(0.4988)	0	1
refuseCollection	0.4276	(0.4947)	0	1
hasTelephone	0.1663	(0.3723)	0	1
numPrimaryEd	2.3662	(1.777)	0	9
numProfessional	0.1055	(0.3615)	0	3
numSkilled	0.2805	(0.503)	0	3
femaleHeadedHH	0.2462	(0.4308)	0	1
(mean) farm	0.2453	(0.4303)	0	1
(mean) urban	0.4196	(0.4935)	0	1
(mean) tribal	0.1632	(0.3695)	0	1
N	2014530			

Table 38: Summary Statistics - HH Controls, Gauteng (Census)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.4239	(0.5929)	0	3.912
africanHH	0.6858	(0.4642)	0	1
whiteHH	0.2133	(0.4096)	0	1
formalDwelling	0.6951	(0.4603)	0	1
roomsPerPerson	1.0976	(0.9295)	0	30

Continued on next page...

... table 38 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
sanitationFacilities	0.8360	(0.3703)	0	1
electricLighting	0.8191	(0.3849)	0	1
refuseCollection	0.8577	(0.3494)	0	1
hasTelephone	0.4637	(0.4987)	0	1
numPrimaryEd	3.3858	(2.1076)	0	29
numProfessional	0.2495	(0.5508)	0	9
numSkilled	0.354	(0.6017)	0	9
femaleHeadedHH	0.2811	(0.4495)	0	1
(mean) farm	0.0258	(0.1584)	0	1
(mean) urban	0.9713	(0.167)	0	1
N	6890762			

Table 39: Summary Statistics - HH Controls, Gauteng (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.4621	(0.5475)	0	3.091
africanHH	0.6854	(0.4644)	0	1
whiteHH	0.2349	(0.424)	0	1
formalDwelling	0.8343	(0.3718)	0	1
roomsPerPerson	1.2618	(0.9467)	0.1111	11
sanitationFacilities	0.3191	(0.4661)	0	1
electricLighting	0.9241	(0.2649)	0	1
refuseCollection	0.8808	(0.3241)	0	1
hasTelephone	0.4425	(0.4967)	0	1
numPrimaryEd	3.0178	(1.7779)	0	13
numProfessional	0.2172	(0.4993)	0	4
numSkilled	0.388	(0.6184)	0	5
femaleHeadedHH	0.1969	(0.3976)	0	1
(mean) farm	0.0448	(0.2069)	0	1
(mean) urban	0.9272	(0.2598)	0	1
N	6562701			

Table 40: Summary Statistics - HH Controls, Mpumalanga (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.6604	(0.5730)	0	3.4657
africanHH	0.8938	(0.3081)	0	1
whiteHH	0.0812	(0.2732)	0	1
formalDwelling	0.6202	(0.4853)	0	1
roomsPerPerson	0.9447	(0.7644)	0	28

Continued on next page...

... table 40 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
sanitationFacilities	0.3274	(0.4693)	0	1
electricLighting	0.5712	(0.4949)	0	1
refuseCollection	0.3533	(0.478)	0	1
hasTelephone	0.1568	(0.3636)	0	1
numPrimaryEd	3.2396	(2.118)	0	18
numProfessional	0.1108	(0.3744)	0	5
numSkilled	0.3463	(0.6113)	0	10
femaleHeadedHH	0.3787	(0.4851)	0	1
(mean) farm	0.1218	(0.3271)	0	1
(mean) urban	0.3875	(0.4872)	0	1
(mean) tribal	0.4683	(0.499)	0	1
N	2775474			

Table 41: Summary Statistics - HH Controls, Mpumalanga (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.7633	(0.4621)	0	2.9957
africanHH	0.9052	(0.2929)	0	1
whiteHH	0.0777	(0.2677)	0	1
formalDwelling	0.5962	(0.4906)	0	1
roomsPerPerson	0.9917	(0.7212)	0.125	11
sanitationFacilities	0.3572	(0.4792)	0	1
electricLighting	0.5574	(0.4967)	0	1
refuseCollection	0.3393	(0.4735)	0	1
hasTelephone	0.1401	(0.3471)	0	1
numPrimaryEd	2.5433	(1.7665)	0	12
numProfessional	0.0827	(0.3127)	0	2
numSkilled	0.398	(0.5640)	0	4
femaleHeadedHH	0.2326	(0.4225)	0	1
(mean) farm	0.1885	(0.3911)	0	1
(mean) urban	0.2613	(0.4394)	0	1
(mean) tribal	0.3343	(0.4718)	0	1
N	2645663			

Table 42: Summary Statistics - HH Controls, Limpopo (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.7065	(0.5141)	0	3.5835
africanHH	0.9701	(0.1703)	0	1

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... table 42 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
whiteHH	0.0226	(0.1485)	0	1
formalDwelling	0.6027	(0.4893)	0	1
roomsPerPerson	0.8420	(0.7029)	0	24
sanitationFacilities	0.1019	(0.3025)	0	1
electricLighting	0.3577	(0.4793)	0	1
refuseCollection	0.0975	(0.2966)	0	1
hasTelephone	0.0614	(0.2401)	0	1
numPrimaryEd	3.2415	(1.9918)	0	20
numProfessional	0.0972	(0.3601)	0	9
numSkilled	0.1561	(0.4432)	0	10
femaleHeadedHH	0.5274	(0.4992)	0	1
(mean) farm	0.043	(0.2029)	0	1
(mean) urban	0.1047	(0.3062)	0	1
(mean) tribal	0.8470	(0.36)	0	1
N	4738988			

Table 43: Summary Statistics - HH Controls, Limpopo (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
(mean) logHHsize	1.749	(0.4793)	0	2.9444
africanHH	0.9687	(0.1741)	0	1
whiteHH	0.0239	(0.1529)	0	1
formalDwelling	0.5999	(0.4899)	0	1
roomsPerPerson	0.9266	(0.6494)	0.1111	13
sanitationFacilities	0.2391	(0.4265)	0	1
electricLighting	0.3381	(0.4731)	0	1
refuseCollection	0.1365	(0.3434)	0	1
hasTelephone	0.0911	(0.2878)	0	1
numPrimaryEd	2.6196	(1.7836)	0	9
numProfessional	0.1696	(0.4645)	0	4
numSkilled	0.1367	(0.396)	0	4
femaleHeadedHH	0.4374	(0.4961)	0	1
(mean) farm	0.0165	(0.1272)	0	1
(mean) urban	0.1096	(0.3123)	0	1
(mean) tribal	0.7686	(0.4217)	0	1
N	4773999			

D.3 Area-Level Controls (Census Covariates)

Table 44: Summary Statistics - Area Controls, W Cape (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.1543	(0.1018)	0.8254	1.3458
africanHH	0.2256	(0.2377)	0	0.6971
whiteHH	0.2652	(0.1692)	0.0002	0.5972
formalDwelling	0.7738	(0.1622)	0.4632	0.9615
roomsPerPerson	1.4784	(0.3072)	1.0294	2.1681
sanitationFacilities	0.8516	(0.1127)	0.232	0.9795
electricLighting	0.8473	(0.1)	0.665	0.9773
refuseCollection	0.8416	(0.1335)	0.3	0.9753
hasTelephone	0.5366	(0.185)	0.2525	0.8184
numPrimaryEd	2.692	(0.2331)	1.9412	2.9899
numProfessional	0.2193	(0.1045)	0.0368	0.3865
numSkilled	0.3057	(0.0496)	0.1714	0.4930
femaleHeadedHH	0.2743	(0.0511)	0.1429	0.3382
tribal	0.0002	(0.0014)	0	0.0127
urban	0.8846	(0.1645)	0.3268	1
farm	0.1085	(0.1564)	0	0.5631
waterServices	0.8913	(0.0855)	0.6634	0.9833
propertyOwnedByHH	0.6870	(0.1501)	0.2313	0.9106
N	3803234			

Table 45: Summary Statistics - Area Controls, W Cape (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.1535	(0.1019)	0.8254	1.3458
africanHH	0.1627	(0.1678)	0	0.6971
whiteHH	0.2858	(0.1387)	0.0002	0.5972
formalDwelling	0.8087	(0.1182)	0.4632	0.9615
roomsPerPerson	1.5021	(0.2548)	1.0294	2.1681
sanitationFacilities	0.8157	(0.1343)	0.232	0.9795
electricLighting	0.8357	(0.0858)	0.665	0.9773
refuseCollection	0.7812	(0.1535)	0.3	0.9753
hasTelephone	0.4971	(0.1588)	0.2525	0.8184
numPrimaryEd	2.5847	(0.2631)	1.9412	2.9899
numProfessional	0.1901	(0.0936)	0.0368	0.3865
numSkilled	0.3	(0.0572)	0.1714	0.4930
femaleHeadedHH	0.2539	(0.0481)	0.1429	0.3382
tribal	0.0003	(0.0019)	0	0.0127
urban	0.7967	(0.187)	0.3268	1
farm	0.1929	(0.1773)	0	0.5631
waterServices	0.896	(0.0695)	0.6634	0.9833
propertyOwnedByHH	0.6306	(0.1437)	0.2313	0.9106
N	3860967			

Table 46: Summary Statistics - Area Controls, E Cape (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.2796	(0.1144)	1.0634	1.4955
africanHH	0.8597	(0.2117)	0.0446	0.9981
whiteHH	0.0694	(0.1056)	0	0.3178
formalDwelling	0.4172	(0.2344)	0.0731	0.9582
roomsPerPerson	1.1074	(0.2241)	0.7807	1.7982
sanitationFacilities	0.2798	(0.3247)	0.0019	0.8423
electricLighting	0.2935	(0.2721)	0.0108	0.864
refuseCollection	0.3254	(0.3581)	0.0005	0.9289
hasTelephone	0.141	(0.1735)	0.001	0.5183
numPrimaryEd	2.3946	(0.3059)	1.4545	2.9073
numProfessional	0.1023	(0.0607)	0.0266	0.2922
numSkilled	0.1218	(0.0917)	0.0219	0.4232
femaleHeadedHH	0.4976	(0.1596)	0.1369	0.6934
tribal	0.5711	(0.4256)	0	1
urban	0.3723	(0.3827)	0	0.9730
farm	0.0398	(0.0899)	0	0.6082
waterServices	0.3248	(0.3268)	0.0073	0.9036
propertyOwnedByHH	0.8609	(0.0951)	0.3185	0.9595
N		6167770		

Table 47: Summary Statistics - Area Controls, E Cape (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.2803	(0.1048)	1.0634	1.4955
africanHH	0.8619	(0.2145)	0.0446	0.9981
whiteHH	0.0586	(0.0884)	0	0.3178
formalDwelling	0.4513	(0.2525)	0.0731	0.9582
roomsPerPerson	1.1105	(0.2183)	0.7807	1.7982
sanitationFacilities	0.2288	(0.2719)	0.0019	0.8423
electricLighting	0.2982	(0.2682)	0.0108	0.864
refuseCollection	0.3091	(0.3247)	0.0005	0.9289
hasTelephone	0.1248	(0.1499)	0.001	0.5183
numPrimaryEd	2.3217	(0.3058)	1.4545	2.9073
numProfessional	0.0919	(0.0531)	0.0266	0.2922
numSkilled	0.1237	(0.0929)	0.0219	0.4232
femaleHeadedHH	0.4776	(0.1721)	0.1369	0.6934
tribal	0.5398	(0.4337)	0	1
urban	0.3585	(0.3506)	0	0.9730
farm	0.0762	(0.1271)	0	0.6082

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... table 47 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
waterServices	0.3178	(0.3104)	0.0073	0.9036
propertyOwnedByHH	0.8355	(0.1218)	0.3185	0.9595
N	6059647			

Table 48: Summary Statistics - Area Controls, N Cape (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.204	(0.0771)	0.9277	1.3082
africanHH	0.3161	(0.2003)	0	0.7010
whiteHH	0.1815	(0.0439)	0.0971	0.3131
formalDwelling	0.7646	(0.0864)	0.5773	0.9907
roomsPerPerson	1.3143	(0.123)	1.0438	1.7407
sanitationFacilities	0.6063	(0.1904)	0.1702	0.8961
electricLighting	0.7183	(0.0836)	0.4947	0.8314
refuseCollection	0.7120	(0.1746)	0.3912	0.9351
hasTelephone	0.3094	(0.0743)	0.1583	0.3915
numPrimaryEd	2.3663	(0.409)	1.4255	2.8106
numProfessional	0.1267	(0.0547)	0.0319	0.2107
numSkilled	0.2658	(0.0764)	0.0909	0.7365
femaleHeadedHH	0.2947	(0.0371)	0.2039	0.3896
urban	0.6987	(0.2259)	0	0.9679
farm	0.2483	(0.2074)	0.0321	1
waterServices	0.8360	(0.0936)	0.506	0.9739
propertyOwnedByHH	0.6654	(0.1443)	0.4211	0.8461
N	802263			

Table 49: Summary Statistics - Area Controls, N Cape (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.1901	(0.0859)	0.9277	1.3082
africanHH	0.2924	(0.2018)	0	0.7010
whiteHH	0.1756	(0.0522)	0.0971	0.3131
formalDwelling	0.7806	(0.1031)	0.5773	0.9907
roomsPerPerson	1.3232	(0.1541)	1.0438	1.7407
sanitationFacilities	0.5177	(0.1884)	0.1702	0.8961
electricLighting	0.6969	(0.0812)	0.4947	0.8314
refuseCollection	0.6543	(0.1576)	0.3912	0.9351
hasTelephone	0.2829	(0.0722)	0.1583	0.3915
numPrimaryEd	2.1632	(0.3849)	1.4255	2.8106
numProfessional	0.102	(0.0464)	0.0319	0.2107

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... table 49 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
numSkilled	0.2624	(0.0891)	0.0909	0.7365
femaleHeadedHH	0.2931	(0.0407)	0.2039	0.3896
urban	0.6416	(0.2237)	0	0.9679
farm	0.3203	(0.2172)	0.0321	1
waterServices	0.8120	(0.1115)	0.506	0.9739
propertyOwnedByHH	0.6354	(0.1331)	0.4211	0.8461
N	811126			

Table 50: Summary Statistics - Area Controls, Free State (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.169	(0.0964)	0.8955	1.3205
africanHH	0.8170	(0.1351)	0.4333	0.9952
whiteHH	0.1436	(0.1009)	0.0003	0.3073
formalDwelling	0.5794	(0.1013)	0.3578	0.9055
roomsPerPerson	1.2717	(0.1624)	0.9422	1.7691
sanitationFacilities	0.4292	(0.2674)	0.0723	0.8269
electricLighting	0.5601	(0.204)	0.1675	0.8021
refuseCollection	0.6372	(0.2304)	0.1182	0.9489
hasTelephone	0.2175	(0.1218)	0.0506	0.4252
numPrimaryEd	2.3395	(0.2052)	1.5055	2.6163
numProfessional	0.1137	(0.0537)	0.032	0.2192
numSkilled	0.2661	(0.0598)	0.0947	0.4792
femaleHeadedHH	0.3449	(0.075)	0.1395	0.498
tribal	0.1179	(0.2843)	0	0.8472
urban	0.7152	(0.2785)	0	1
farm	0.1621	(0.1874)	0	1
waterServices	0.6936	(0.2036)	0.2991	0.9349
propertyOwnedByHH	0.7564	(0.1196)	0.4659	0.9581
N	2473262			

Table 51: Summary Statistics - Area Controls, Free State (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.1751	(0.0868)	0.8955	1.3205
africanHH	0.8094	(0.1226)	0.4333	0.9952
whiteHH	0.1409	(0.0775)	0.0003	0.3073
formalDwelling	0.5812	(0.121)	0.3578	0.9055
roomsPerPerson	1.2819	(0.1591)	0.9422	1.7691

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... table 51 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
sanitationFacilities	0.4058	(0.2445)	0.0723	0.8269
electricLighting	0.5917	(0.1724)	0.1675	0.8021
refuseCollection	0.6419	(0.1796)	0.1182	0.9489
hasTelephone	0.2075	(0.095)	0.0506	0.4252
numPrimaryEd	2.2476	(0.2561)	1.5055	2.6163
numProfessional	0.0967	(0.046)	0.032	0.2192
numSkilled	0.2761	(0.0616)	0.0947	0.4792
femaleHeadedHH	0.327	(0.0652)	0.1395	0.498
tribal	0.0597	(0.2069)	0	0.8472
urban	0.6969	(0.2211)	0	1
farm	0.2392	(0.187)	0	1
waterServices	0.731	(0.1685)	0.2991	0.9349
propertyOwnedByHH	0.7161	(0.1149)	0.4659	0.9581
N	2448094			

Table 52: Summary Statistics: Area Controls, KZN (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.3546	(0.2029)	0.9524	1.7222
africanHH	0.794	(0.2207)	0.0955	0.9985
whiteHH	0.0842	(0.1062)	0	0.3836
formalDwelling	0.4705	(0.1978)	0.0383	0.7904
roomsPerPerson	1.1515	(0.2159)	0.7859	1.6816
sanitationFacilities	0.3634	(0.2669)	0.0044	0.8988
electricLighting	0.4893	(0.2701)	0.0104	0.9148
refuseCollection	0.3765	(0.2861)	0.0004	0.9064
hasTelephone	0.2293	(0.1937)	0.004	0.6708
numPrimaryEd	2.6706	(0.359)	1.6042	3.3218
numProfessional	0.1261	(0.0742)	0.0303	0.3061
numSkilled	0.2014	(0.0905)	0.0244	0.4917
femaleHeadedHH	0.4087	(0.1056)	0.2298	0.6637
tribal	0.4466	(0.3749)	0	1
urban	0.4534	(0.3668)	0	1
farm	0.0612	(0.109)	0	0.7826
waterServices	0.4276	(0.2691)	0.0127	0.9302
propertyOwnedByHH	0.8133	(0.1132)	0.3669	0.9705
N	8097994			

Table 53: Summary Statistics - Area Controls, KZN (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.3919	(0.1881)	0.9524	1.7222
africanHH	0.8310	(0.1831)	0.0955	0.9985
whiteHH	0.0745	(0.0874)	0	0.3836
formalDwelling	0.4569	(0.187)	0.0383	0.7904
roomsPerPerson	1.1267	(0.1957)	0.7859	1.6816
sanitationFacilities	0.3222	(0.2397)	0.0044	0.8988
electricLighting	0.4635	(0.2554)	0.0104	0.9148
refuseCollection	0.3304	(0.2573)	0.0004	0.9064
hasTelephone	0.1944	(0.1646)	0.004	0.6708
numPrimaryEd	2.6932	(0.3603)	1.6042	3.3218
numProfessional	0.1136	(0.0625)	0.0303	0.3061
numSkilled	0.2014	(0.0904)	0.0244	0.4917
femaleHeadedHH	0.4152	(0.0977)	0.2298	0.6637
tribal	0.4945	(0.3563)	0	1
urban	0.3898	(0.3313)	0	1
farm	0.0776	(0.1327)	0	0.7826
waterServices	0.3947	(0.2462)	0.0127	0.9302
propertyOwnedByHH	0.8238	(0.1085)	0.3669	0.9705
N	7786987			

Table 54: Summary Statistics - Area Controls, North West (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.2439	(0.1343)	0.9847	1.4504
africanHH	0.8947	(0.1105)	0.638	0.9954
whiteHH	0.0815	(0.0922)	0	0.298
formalDwelling	0.6564	(0.0963)	0.5092	0.8036
roomsPerPerson	1.2528	(0.1171)	0.9199	1.5269
sanitationFacilities	0.2966	(0.1981)	0.0367	0.7219
electricLighting	0.4285	(0.1759)	0.1409	0.7129
refuseCollection	0.3353	(0.2473)	0.0327	0.8632
hasTelephone	0.1566	(0.0993)	0.0219	0.38
numPrimaryEd	2.4456	(0.2956)	1.8208	2.9428
numProfessional	0.1118	(0.029)	0.0657	0.1726
numSkilled	0.2657	(0.0875)	0.1258	0.3797
femaleHeadedHH	0.382	(0.0899)	0.2433	0.5469
tribal	0.443	(0.3202)	0	0.9582
urban	0.3609	(0.2711)	0	0.8954
farm	0.1038	(0.1171)	0	0.482
waterServices	0.475	(0.2339)	0.1015	0.8688
propertyOwnedByHH	0.8098	(0.1196)	0.4467	0.9580
N	3216039			

Table 55: Summary Statistics - Area Controls, North West (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.2399	(0.1442)	0.9847	1.4504
africanHH	0.8946	(0.1005)	0.638	0.9954
whiteHH	0.0801	(0.0785)	0	0.298
formalDwelling	0.6541	(0.0912)	0.5092	0.8036
roomsPerPerson	1.2438	(0.0953)	0.9199	1.5269
sanitationFacilities	0.2624	(0.1652)	0.0367	0.7219
electricLighting	0.4101	(0.1672)	0.1409	0.7129
refuseCollection	0.3042	(0.2116)	0.0327	0.8632
hasTelephone	0.1444	(0.0816)	0.0219	0.38
numPrimaryEd	2.389	(0.3263)	1.8208	2.9428
numProfessional	0.1025	(0.0242)	0.0657	0.1726
numSkilled	0.2657	(0.0839)	0.1258	0.3797
femaleHeadedHH	0.3789	(0.0957)	0.2433	0.5469
tribal	0.4255	(0.3141)	0	0.9582
urban	0.3272	(0.2331)	0	0.8954
farm	0.1565	(0.1489)	0	0.482
waterServices	0.4501	(0.2004)	0.1015	0.8688
propertyOwnedByHH	0.7835	(0.1372)	0.4467	0.9580
N		2014530		

Table 56: Summary Statistics - Area Controls, Gauteng (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.0405	(0.1184)	0.7981	1.3089
africanHH	0.6793	(0.2167)	0.2586	0.9962
whiteHH	0.2454	(0.1689)	0.0001	0.6123
formalDwelling	0.6307	(0.1197)	0.2709	0.8067
roomsPerPerson	1.4128	(0.2938)	0.9911	1.935
sanitationFacilities	0.8207	(0.1405)	0.3909	0.9578
electricLighting	0.7896	(0.1282)	0.3636	0.9339
refuseCollection	0.8441	(0.1458)	0.1769	0.9425
hasTelephone	0.4369	(0.1493)	0.1312	0.7038
numPrimaryEd	2.4827	(0.2716)	1.9664	3.0063
numProfessional	0.2173	(0.0902)	0.0875	0.4018
numSkilled	0.3071	(0.0595)	0.1779	0.4343
femaleHeadedHH	0.2871	(0.0352)	0.2243	0.3679
urban	0.9668	(0.0522)	0.6009	1
farm	0.0301	(0.0518)	0	0.3991

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... table 56 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
waterServices	0.8473	(0.0881)	0.5404	0.9354
propertyOwnedByHH	0.7462	(0.0945)	0.5638	0.9652
N	6890762			

Table 57: Summary Statistics - Area Controls, Gauteng (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.0342	(0.1071)	0.7981	1.3089
africanHH	0.6573	(0.1688)	0.2586	0.9962
whiteHH	0.2657	(0.1343)	0.0002	0.6123
formalDwelling	0.612	(0.1234)	0.2709	0.8067
roomsPerPerson	1.4352	(0.2389)	1.0932	1.935
sanitationFacilities	0.7892	(0.1389)	0.3909	0.9223
electricLighting	0.7565	(0.1285)	0.3636	0.9339
refuseCollection	0.8170	(0.1443)	0.1769	0.9404
hasTelephone	0.4258	(0.1459)	0.1312	0.7038
numPrimaryEd	2.4152	(0.1974)	1.9664	2.89
numProfessional	0.2111	(0.0845)	0.0875	0.4018
numSkilled	0.3192	(0.0599)	0.1779	0.4343
femaleHeadedHH	0.2739	(0.0251)	0.2243	0.3679
urban	0.9509	(0.0679)	0.6009	1
farm	0.0466	(0.0683)	0	0.3991
waterServices	0.8228	(0.0903)	0.5404	0.9254
propertyOwnedByHH	0.7433	(0.091)	0.5638	0.9652
N	6562701			

Table 58: Summary Statistics - Area Controls, Mpumalanga (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.2763	(0.1695)	0.7241	1.47
africanHH	0.8868	(0.1282)	0.5485	0.9989
whiteHH	0.0924	(0.1096)	0	0.3866
formalDwelling	0.6092	(0.1262)	0.2238	0.8394
roomsPerPerson	1.2683	(0.1625)	1.0105	1.6376
sanitationFacilities	0.3324	(0.2854)	0.0067	0.8066
electricLighting	0.5553	(0.2103)	0.227	0.8781
refuseCollection	0.3545	(0.2731)	0.0034	0.8463
hasTelephone	0.1544	(0.1347)	0.0086	0.4275
numPrimaryEd	2.4051	(0.2835)	1.4859	2.8969
numProfessional	0.101	(0.0418)	0.0386	0.2582

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... table 58 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
numSkilled	0.302	(0.1053)	0.1165	0.525
femaleHeadedHH	0.3778	(0.125)	0.1036	0.5654
tribal	0.4588	(0.4165)	0	1
urban	0.3924	(0.3039)	0	0.9521
farm	0.1241	(0.1673)	0	0.5725
waterServices	0.6094	(0.1764)	0.115	0.9009
propertyOwnedByHH	0.8373	(0.1503)	0.3076	0.9734
N	2775474			

Table 59: Summary Statistics - Area Controls, Mpumalanga (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.2443	(0.1987)	0.7241	1.47
africanHH	0.8687	(0.1283)	0.5485	0.9989
whiteHH	0.1092	(0.1104)	0	0.3866
formalDwelling	0.5982	(0.1422)	0.2238	0.8341
roomsPerPerson	1.3046	(0.16)	1.0105	1.5908
sanitationFacilities	0.3552	(0.2776)	0.0067	0.7482
electricLighting	0.5658	(0.2013)	0.227	0.8781
refuseCollection	0.3712	(0.2653)	0.0034	0.8109
hasTelephone	0.1664	(0.1341)	0.0086	0.4275
numPrimaryEd	2.3302	(0.3473)	1.4859	2.8969
numProfessional	0.0971	(0.0464)	0.0386	0.2582
numSkilled	0.303	(0.1034)	0.1165	0.5214
femaleHeadedHH	0.3654	(0.1266)	0.1889	0.5654
tribal	0.3864	(0.4133)	0	1
urban	0.3993	(0.2905)	0	0.9521
farm	0.1694	(0.1834)	0	0.5725
waterServices	0.6024	(0.1773)	0.115	0.8201
propertyOwnedByHH	0.7993	(0.1613)	0.3221	0.9734
N	2645663			

Table 60: Summary Statistics - Area Controls, Limpopo (Census Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.3825	(0.1359)	0.7629	1.4913
africanHH	0.9678	(0.1017)	0.382	0.999
whiteHH	0.0251	(0.0892)	0	0.498
formalDwelling	0.5876	(0.1521)	0.2007	0.8118

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... table 60 continued

Variable	Mean	(Std. Dev.)	Min.	Max.
roomsPerPerson	1.1283	(0.1587)	0.9226	1.8452
sanitationFacilities	0.1095	(0.1621)	0.0068	0.8354
electricLighting	0.3553	(0.153)	0.088	0.8435
refuseCollection	0.106	(0.1314)	0.0048	0.6918
hasTelephone	0.0625	(0.0936)	0.0073	0.5831
numPrimaryEd	2.5192	(0.2821)	1.3906	2.8952
numProfessional	0.0921	(0.0362)	0.0528	0.3455
numSkilled	0.1334	(0.08)	0.0568	0.4594
femaleHeadedHH	0.5356	(0.0938)	0.1571	0.6547
tribal	0.8406	(0.2485)	0	1
urban	0.115	(0.1451)	0	0.6788
farm	0.039	(0.1258)	0	0.5769
waterServices	0.3328	(0.1649)	0.1387	0.8954
propertyOwnedByHH	0.9202	(0.1323)	0.2934	0.9854
N		4738988		

Table 61: Summary Statistics - Area Controls, Limpopo (IES Data)

Variable	Mean	(Std. Dev.)	Min.	Max.
logHHsize	1.3597	(0.1629)	0.7629	1.4913
africanHH	0.9540	(0.126)	0.382	0.999
whiteHH	0.0374	(0.1095)	0	0.498
formalDwelling	0.5768	(0.1561)	0.2007	0.8118
roomsPerPerson	1.1436	(0.1876)	0.9226	1.8452
sanitationFacilities	0.1328	(0.1932)	0.0068	0.8354
electricLighting	0.3804	(0.1689)	0.088	0.8435
refuseCollection	0.1236	(0.1569)	0.0048	0.6918
hasTelephone	0.0751	(0.1137)	0.0073	0.5831
numPrimaryEd	2.4655	(0.3107)	1.3906	2.8952
numProfessional	0.0932	(0.0408)	0.0528	0.3455
numSkilled	0.1441	(0.0963)	0.0568	0.4594
femaleHeadedHH	0.5248	(0.1125)	0.1571	0.6547
tribal	0.8025	(0.297)	0	1
urban	0.1348	(0.1737)	0	0.6788
farm	0.0576	(0.1545)	0	0.5769
waterServices	0.3503	(0.1874)	0.1387	0.8954
propertyOwnedByHH	0.9014	(0.1606)	0.2934	0.9854
N		4773999		

The Southern Africa Labour and Development Research Unit

The Southern Africa Labour and Development Research Unit (SALDRU) conducts research directed at improving the well-being of South Africa's poor. It was established in 1975. Over the next two decades the unit's research played a central role in documenting the human costs of apartheid. Key projects from this period included the Farm Labour Conference (1976), the Economics of Health Care Conference (1978), and the Second Carnegie Enquiry into Poverty and Development in South Africa (1983-86). At the urging of the African National Congress, from 1992-1994 SALDRU and the World Bank coordinated the Project for Statistics on Living Standards and Development (PSLSD). This project provide baseline data for the implementation of post-apartheid socio-economic policies through South Africa's first non-racial national sample survey.

In the post-apartheid period, SALDRU has continued to gather data and conduct research directed at informing and assessing anti-poverty policy. In line with its historical contribution, SALDRU's researchers continue to conduct research detailing changing patterns of well-being in South Africa and assessing the impact of government policy on the poor. Current research work falls into the following research themes: post-apartheid poverty; employment and migration dynamics; family support structures in an era of rapid social change; public works and public infrastructure programmes, financial strategies of the poor; common property resources and the poor. Key survey projects include the Langeberg Integrated Family Survey (1999), the Khayelitsha/Mitchell's Plain Survey (2000), the ongoing Cape Area Panel Study (2001-) and the Financial Diaries Project.

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